Redington International Mauritius Limited
and its Subsidiaries - Dubai

Report and consolidated financial statements
for the year ended 31 March 2026

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Redington International Mauritius Limited
Dubai
United Arab Emirates

Report on the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Redington International Mauritius Limited** (the "Company") and its Subsidiaries (the "Group") which comprise the consolidated statement of financial position as at 31 March 2026, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 March 2026, and of its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements that are relevant to our audit of the Group's consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and their preparation in compliance with the applicable provisions of the Group's Articles of Association and the Companies Law pursuant to Companies Law DIFC Law No. 5 of 2018 (as amended) issued by the Dubai International Financial Centre (DIFC), and for such internal control as the management determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Cont'd…

INDEPENDENT AUDITOR'S REPORT

to the Board of Directors of Redington International Mauritius Limited (continued)

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements (continued)

In preparing the consolidated financial statements, the management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosure are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represents the underlying transactions and events in a manner that achieves fair presentation.

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INDEPENDENT AUDITOR'S REPORT
to the Board of Directors of Redington International Mauritius Limited (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Further, we report that the consolidated financial statements comply, in all material aspects, with the applicable provisions of the Companies Law pursuant to DIFC Law No. 5 of 2018 (as amended), issued by the Dubai International Financial Centre (DIFC).

Deloitte & Touche (M.E.)

Deloitte & Touche

13 May 2025
Dubai
United Arab Emirates

Consolidated Statement of Financial Position as at 31st March 2026

	Notes	2026 US$	2025 US$
ASSETS			
Non-current assets			
Property and equipment	6	**5,693,203**	6,193,360
Other intangible assets	7	**14,230,103**	32,427,708
Goodwill	8	**349,559**	6,975,890
Deferred tax asset	9(d)	**14,727,339**	3,039,967
Right-of-use assets	23	**9,724,415**	9,117,343
Investment property	10	**5,158,441**	3,011,911
Total non-current assets		49,883,060	60,766,178
Current assets			
Inventories	11	**387,665,757**	382,001,203
Trade and other receivables	12	**1,097,881,931**	1,072,693,488
Other financial assets	13	**806,566**	130,941
Cash and cash equivalents	14	**87,868,042**	128,035,507
Due from related parties	21	**7,965,122**	2,219,869
Loan to group company	22	**500,000**	1,200,000
Derivative financial assets		**5,532**	-
Total current assets		1,582,692,950	1,586,281,008
Total Assets		1,632,576,010	1,647,047,187
EQUITY AND LIABILITIES			
Equity			
Share capital	15	**27,668,025**	27,668,025
Share premium		**33,731,903**	33,731,903
Capital reserve	16	**51,607,360**	51,607,360
Cumulative translation adjustment reserve		**(51,225,728)**	(48,741,686)
Re-measurement of defined benefit obligation		**35,263**	593,062
Retained earnings	17	**458,418,324**	445,296,730
Equity attributable to equity holders of the Company		520,235,147	510,155,394
Non-controlling interests	1(n)	**28,262,069**	55,704,780
Total equity		548,497,216	565,860,174
Non-current liabilities			
Employees' end-of-service indemnity	18	**17,751,146**	15,559,718
Bank borrowings	19	-	17,513
Lease liabilities	23	**4,826,709**	5,163,770
Deferred tax liability	9(d)	**198,558**	1,362,893
Total non-current liabilities		22,776,413	22,103,894
Current liabilities			
Bank borrowings	19	**124,204,858**	142,597,775
Trade and other payables	20	**906,463,249**	888,486,609
Due to related parties	21	**3,638,108**	2,532,038
Lease liabilities	23	**3,773,891**	2,425,962
Derivative financial liability		**36,032**	-
Income tax payable	9(c)	**23,186,243**	23,040,734
Total current liabilities		1,061,302,381	1,059,083,118
Total Liabilities		1,084,078,794	1,081,187,012
Total Equity and Liabilities		1,632,576,010	1,647,047,186

Manager
Prasanth P

The accompanying notes form an integral part of these consolidated financial statements

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 March 2026

Particulars	Notes	2026 US$	2025 US$
Trading revenue		**5,681,113,156**	5,393,158,822
Service revenue		**19,177,261**	26,903,089
Other income		**10,115,963**	10,250,898
Profit on disposal of subsidiary	1(l)	**-**	74,606,857
Total income		**5,710,406,380**	5,504,919,666
Changes in inventories of finished goods		**(5,378,491,569)**	(5,109,340,079)
Employee benefits		**(113,093,096)**	(106,576,080)
Finance costs		**(26,160,368)**	(22,105,568)
Depreciation and amortisation expenses	25	**(10,500,768)**	(11,498,937)
Other expenses - net	24	**(132,881,444)**	(126,840,692)
Impairment of intangible assets	7	**(17,191,071)**	-
Non-underlying item net monetary gain arising from hyperinflationary economy	26	**1,347,568**	6,781,637
Total expenses		**(5,676,970,748)**	(5,369,579,719)
Profit before tax		**33,435,632**	135,339,947
Income tax expense	9(a)	**(6,983,190)**	(23,616,472)
Profit for the year from continuing operations		**26,452,442**	111,723,475
Profit from discontinued operations		**-**	2,550,227
Profit for the year		**26,452,442**	114,273,702
Other comprehensive loss - net			
Items that may be reclassified subsequently to profit or loss:			
Transfer to cumulative translation adjustment reserve		**(9,275,955)**	(9,477,135)
Re-measurement of defined benefit obligation		**(614,944)**	565,727
Tax benefit on re-measurement of defined benefit obligation		**75,499**	-
Total comprehensive income for the year		**16,637,042**	105,362,293
Profit for the year attributable to:			
Equity holders of the company		**49,172,266**	88,747,973
Non-controlling interests	1(m)	**(22,719,824)**	25,525,729
		26,452,442	114,273,702
Total comprehensive income for the year attributable to:			
Equity holders of the company		**41,996,916**	84,411,798
Non-controlling interests		**(25,359,874)**	20,950,495
		16,637,042	105,362,293

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity for the year ended 31 March 2026

Particulars	Share capital	Share premium	Capital reserve	Equity settled employee benefits reserve	Cumulative translation adjustment reserve	Re-measurement of defined benefit obligation	Retained earnings	Equity attributable to equity holders of the Company	Non-controlling interests	Total
	US$	US$	US$	US$	US$	US$	US$	US$	US$	US$
Balance as at 1 April 2024	27,668,025	33,731,903	51,607,360	2,856,109	(43,839,785)	27,335	408,242,147	480,293,094	37,602,182	517,895,275
Profit for the year	-	-	-	-	-	-	88,747,973	88,747,973	25,525,729	114,273,702
Re-measurement of defined benefit obligation (Note 18)	-	-	-	-	-	565,727	-	565,727	-	565,727
Cumulative translation adjustment reserve	-	-	-	-	(4,901,901)	-	-	(4,901,901)	(4,575,234)	(9,477,135)
Total comprehensive income for the year	-	-	-	-	(4,901,901)	565,727	88,747,973	84,411,798	20,950,495	105,362,293
Retained earnings transferred due to sale of subsidiary	-	-	-	-	-	-	(2,780,361)	(2,780,361)	(2,847,897)	(5,628,258)
Transfer between reserves	-	-	-	(2,856,109)	-	-	2,844,856	(11,253)	-	(11,253)
Dividend declared to parent company [Note 30(a)]	-	-	-	-	-	-	(51,757,885)	(51,757,885)	-	(51,757,885)
Balance as at 31 March 2025	27,668,025	33,731,903	51,607,360	-	(48,741,686)	593,062	445,296,730	510,155,394	55,704,780	565,860,174
Profit for the year	-	-	-	-	-	-	**49,172,266**	**49,172,266**	**(22,719,824)**	**26,452,442**
Re-measurement of defined benefit obligation (net of taxes) (Note 18)	-	-	-	-	-	**(539,445)**		**(539,445)**	-	**(539,445)**
Cumulative translation adjustment reserve	-	-	-	-	**(6,600,338)**	**(35,567)**	-	**(6,635,905)**	**(2,640,050)**	**(9,275,955)**
Total comprehensive income for the year	-	-	-	-	**(6,600,338)**	**(575,012)**	**49,172,266**	**41,996,916**	**(25,359,874)**	**16,637,042**
Transfer between reserves	-	-	-	-	**4,116,296**	**17,213**	**(2,050,672)**	**2,082,837**	**(2,082,837)**	-
Dividend declared to parent company [Note 30(a)]	-	-	-	-	-	-	**(34,000,000)**	**(34,000,000)**	-	**(34,000,000)**
Balance as at 31 March 2026	**27,668,025**	**33,731,903**	**51,607,360**	-	**(51,225,728)**	**35,263**	**458,418,324**	**520,235,147**	**28,262,069**	**548,497,216**

The accompanying notes form an integral part of these consolidated financial statements.

Redington International Mauritius Limited and its Subsidiaries - Dubai

Consolidated statement of cash flows for the year ended 31 March 2026

	2026	2025
	US$	US$
Cash flows from operating activities		
Profit before taxation from continuing operations	**33,435,632**	135,339,947
Profit before taxation from discontinued operations	**-**	3,773,136
Total profit before taxation	**33,435,632**	139,113,083
Adjustments for:		
Finance costs	**26,160,368**	22,105,568
Depreciation of right-of-use assets	**5,038,390**	4,286,058
Allowance for slow-moving inventories	**2,829,453**	174,886
Current service cost on employees' end-of-service indemnity	**2,267,145**	2,334,631
Amortisation of other intangible assets	**3,711,301**	5,118,261
Depreciation of property and equipment	**1,751,077**	2,094,618
Expected credit losses	**13,496,253**	2,514,519
Gain on change in fair value of investment property	**(630,842)**	-
Loss/(profit) on disposal of property and equipment	**545,862**	(160,848)
Loss on disposal of intangible assets	**1,609,238**	-
Impairment of intangible assets	**17,191,071**	-
Loss on increase in fair value of derivative financial assets	**30,500**	11,719
Interest income	**(6,653,764)**	-
Profit on sale of subsidiary	**-**	(74,606,857)
Net monetary (gain)/loss from application of IAS 29 – non-monetary items	**(2,729,229)**	3,436,140
Operating cash flow before changes in operating assets and liabilities	**98,052,455**	106,421,778
(Increase)/decrease in other financial assets	**(675,625)**	666,426
(Increase)/decrease in due from related parties	**(5,745,254)**	6,043,123
Increase in trade and other receivables	**(33,963,433)**	(224,537,745)
(Increase)/decrease in inventories	**(8,529,931)**	78,152,402
Increase in trade and other payables	**17,847,577**	67,242,616
Increase/(decrease) in due to related parties	**1,106,070**	(1,786,260)
Cash generated from operations	**68,091,859**	32,202,340
Employees' end-of-service indemnity paid	**(2,745,581)**	(1,192,798)
Income tax paid	**(19,080,841)**	(13,629,459)
Net cash generated from operating activities	**46,265,437**	17,380,083
Cash flows from investing activities		
Purchase of property and equipment	**(1,701,290)**	(3,881,415)
Purchase of investment property	**(1,751,392)**	(1,432,250)
Purchase of other intangible assets	**(4,103,702)**	(4,546,497)
Proceeds from disposal of property and equipment	**-**	274,519
Proceeds from disposal of intangible assets	**3,300,000**	-
Disposal of property and equipment, Intangible assets	**(2,661,892)**	2,560,673
Interest received	**6,653,764**	-
Net cash inflow from sale of a subsidiary	**-**	84,639,894
Net cash (used in)/generated from investing activities	**(264,512)**	77,614,924
Cash flows from financing activities		
Proceeds from bank borrowings under trust receipts	**849,518,043**	1,004,748,072
Repayments of bank borrowings under trust receipts	**(871,817,602)**	(1,003,073,349)
Proceeds from bank loans	**147,987,551**	507,194,592
Repayment of bank loans	**(147,744,396)**	(515,736,347)
Proceeds from bank overdraft	**459,941,776**	1,907,152,336
Repayment of bank overdraft	**(456,295,803)**	(1,898,343,616)
Dividends paid to parent company	**(34,000,000)**	(51,757,885)
Repayment of lease liability	**(4,565,918)**	(4,628,396)
Loan to group company	**700,000**	(1,200,000)
Finance costs paid	**(25,467,591)**	(21,427,816)
Net cash used in financing activities	**(81,743,940)**	(77,072,409)
Net (decrease)/increase in cash and cash equivalents	**(35,743,015)**	17,922,598
Cash and cash equivalents at the beginning of the year	**128,035,507**	128,436,081
Effects of exchange rate changes on cash and cash equivalents held in foreign currencies	**(4,424,450)**	(18,323,172)
Cash and cash equivalents at the end of the year (Note 14)	**87,868,042**	128,035,507

The accompanying notes form an integral part of these consolidated financial statements.

1. Status and operations

a) Redington International Mauritius Limited (the "Company") was incorporated in Mauritius with limited liability on 16 July 2008. On 4 June 2021, the Company changed its business category from Category 2 -Global Business License Company to Authorized Company. On 16 February 2026, the Company previously incorporated as a Authorised Company in Mauritius, is registered by continuation as a Private Company under the Companies Laws, DIFC Law No. 5 of 2018 and the Prescribed Company Regulations 2019, after having satisfied all the requirements of continuation under the said law.

b) The Company and its subsidiaries are together referred to as the "Group".

c) The parent and ultimate controlling party is Redington Limited [formerly known as Redington (India) Limited] (the "Parent Company").

d) The principal activity of the Group is distribution of Information Technology and Telecommunication products and spare parts, providing hardware support and maintenance services for Information Technology and Telecommunication products.

e) The address of the registered office of the Company is C1405-B, Level 14, Burj Daman, Dubai International Financial Centre.

f) During the financial year, the Board approved the proposal for re-domiciliation of the company from Mauritius to United Arab Emirates ('UAE') in line with the Group's strategic objectives and future plans. Pursuant to the fulfilment of the applicable regulatory and procedural requirements, the process of re-domiciliation of the company has been completed during the Financial Year. Following the re-domiciliation, the company is hereafter subject to the applicable statutory, regulatory, and tax requirements under the laws of the UAE.

g) Details of the Company's subsidiary as at 31 March 2026 are as follow:

Name of subsidiary	***Ownership interest***	***Beneficial interest***	***Place of registration and operation***	***Principal activities***
	%	%		
Redington Gulf FZE (RGF)	100	100	Dubai, U.A.E.	Distribution of information technology products, providing hardware support and maintenance services.

The Company also controls the following sub-subsidiaries through its wholly owned subsidiary, RGF.

Name of subsidiary	***Ownership interest***	***Beneficial interest***	***Place of registration and operation***	***Principal activities***
	%	%		
Cadensworth FZE	100	100	Dubai, U.A.E.	Distribution of information technology products and spare parts.
Redington Middle East LLC	100	100	Dubai, U.A.E.	Distribution of information technology products, providing hardware support and maintenance services.
Cadensworth United Arab Emirates L.L.C.	100	100	Dubai, U.A.E.	Distribution of information technology products, providing hardware support and maintenance services.
Redington Gulf & Co. LLC [Note 1(k)]	100	100	Muscat, Oman	Distribution of information technology products, providing hardware support and maintenance services.
Redington Turkey Teknoloji A.Ş.	100	100	Istanbul, Turkey	Distribution of information technology products.
Ensure Services Arabia LLC	100	100	Riyadh, Kingdom of Saudi Arabia	Providing hardware support and maintenance services.
Redington South Africa Pty (formerly Ensure IT Services (Pty) Ltd.)	100	100	Johannesburg, South Africa	Providing hardware support and maintenance services.
Redington Gulf FZE Co. [Note 1(i)]	100	100	Erbil, Iraq	Distribution of information technology products, providing hardware support and maintenance services.
Redington Egypt Ltd. (Limited Liability Company)	100	100	Cairo, Egypt	Distribution of information technology products, providing hardware support and maintenance services.

1. Status and operations (continued)

Name of subsidiary	***Ownership interest***	***Beneficial interest***	***Place of registration and operation***	***Principal activities***
	%	%		
Africa Joint Technical Services	65	100	Tripoli, Libya	Providing hardware support and maintenance services.
Redington Morocco Ltd.	100	100	Casablanca, Morocco	Distribution of information technology products, providing hardware support and maintenance services.
Redington Kenya Limited	100	100	Nairobi, Kenya	Distribution of information technology products, providing hardware support and maintenance services.
Redington Tanzania Limited	100	100	Dar e saalam, Tanzania	Distribution of information technology products, providing hardware support and maintenance services.
Redington Uganda Limited	100	100	Kampala, Uganda	Distribution of information technology products, providing hardware support and maintenance services.
RNDC Alliance West Africa Limited	100	100	Lagos, Nigeria	Distribution of information technology and telecommunication products.
Redington Angola Ltd.	100	100	Luanda, Angola	Distribution of information technology products, providing hardware support and maintenance services.
Redington Limited	100	100	Accra, Ghana	Distribution of information technology products, providing hardware support and maintenance services.
Redington Rwanda Ltd.	100	100	Kigali, Rwanda	Distribution of information technology products, providing hardware support and maintenance services.
Redington Turkey Holdings S.A.R.L. (RTHS)	100	100	Luxembourg City, Grand Duchy of	Investment in companies which are engaged in supply chain and related businesses.
Redington Kazakhstan LLP	100	100	Almaty, Kazakhstan	Distribution of information technology and telecommunication products.
Ensure Gulf FZE	100	100	Dubai, U.A.E.	Providing hardware support and maintenance services.
Redington Senegal Limited S.A.R.L.	100	100	Dakar, Senegal	Distribution of information technology and telecommunication products.
Redington Saudi Arabia Distribution Company	100	100	Riyadh, Kingdom of Saudi Arabia	Distribution of information technology and telecommunication products.
Redington Saudi for Trading	100	100	Riyadh, Kingdom of Saudi Arabia	Wholesale of electronic household appliances, telecommunication products and cosmetics.
Redington Bahrain WLL [Note 1(j)]	99.8	100	Manama, Bahrain	Distribution of information technology and telecommunication products.
Redington Gulf Arabia for Information Technology	100	100	Riyadh, Kingdom of Saudi Arabia	Providing software and consultancy services.
Redington Gulf FZE Jordan	49	100	Amman, Jordan	Distribution of information technology and telecommunication products.

1. Status and operations (continued)

Name of subsidiary	***Ownership interest***	***Beneficial interest***	***Place of registration and operation***	***Principal activities***
	%	%		
Redington South Africa Distribution (Pty) Ltd.	100	100	KwaZulu- Natal, South Africa	Providing hardware support and maintenance services.
Redington Green Energy Limited	100	100	Nairobi, Kenya	Distribution of solar panel and other products.

Cadensworth FZE has the following subsidiary:

Name of subsidiary	***Ownership interest***	***Beneficial interest***	***Place of registration and operation***	***Principal activities***
	%	%		
CDW International Trading FZCO	100	100	Dubai, U.A.E.	Trading of information technology and telecommunication products.

Ensure Gulf FZE has the following subsidiary:

Name of subsidiary	***Ownership interest***	***Beneficial interest***	***Place of registration and operation***	***Principal activities***
	%	%		
Ensure Middle East Technology Solutions LLC [Note 1(h)]	49	100	Abu Dhabi, U.A.E.	Providing hardware support and maintenance services.

Redington Egypt Ltd. has the following subsidiary:

Name of subsidiary	***Ownership interest***	***Beneficial interest***	***Place of registration and operation***	***Principal activities***
	%	%		
Redington Distribution Company	99	100	Cairo, Egypt	Distribution of information technology and telecommunication products.

Redington Turkey Holdings S.A.R.L. has the following subsidiary:

Name of subsidiary	***Ownership interest***	***Beneficial interest***	***Place of registration and operation***	***Principal activities***
	%	%		
Arena Bilgisayar Sanayi ve Ticaret A.S. [Note 1(h)]	49.4	49.4	Istanbul, Turkey	Distribution of information technology and telecommunication products.

Arena Bilgisayar Sanayi ve Ticaret A.S. has the following subsidiaries:

Name of subsidiary	***Ownership interest***	***Beneficial interest***	***Place of registration and operation***	***Principal activities***
	%	%		
Arena International FZE	100	100	Dubai, U.A.E.	Computer software trading, computer equipment requisites trading, telephones and telecommunication equipment trading, computer and data processing requisites trading.
Arena Labs Teknoloji Cozumleri Anonim Sirketi (formerly Online Electronik Ticaret Hizmetleri A.S)	100	100	Istanbul, Turkey	Artificial Intelligence activities in IT sector
Arena Connect Teknoloji Sanayi ve Ticaret A.S. (formerly Brightstar Telekomünikasyon ve Dağıtım Ltd.Şti) [Note 1(l) & 8(b)]	100	100	Istanbul, Turkey	Distribution of information technology and telecommunication products.
Paynet (Kibris) Odeme Hizmetleri Limited	100	100	Gazimagusa, Cyprus	Payment intermediation services.

1. Status and operations (continued)

Redington Turkey Teknoloji A.Ş. has the following subsidiaries:

Name of subsidiary	*Ownership interest*	*Beneficial interest*	*Place of registration and operation*	*Principal activities*
	%	%		
Redington Kazakhstan Technology	100	100	Kazakhstan	Distribution of Information technology and telecommunication products
Redington Azerbaijan Technology	99	100	Azerbaijan	Distribution of Information technology and telecommunication products

During the year the company has liquidated the following subsidiary:

Name of subsidiary	*Ownership interest*	*Beneficial interest*	*Place of registration and operation*	*Principal activities*
	%	%		
Redington Kenya (EPZ) Limited	100	100	Nairobi, Kenya	Distribution of information technology products, providing hardware support and maintenance services.

h) For the entities listed above where the Company owns less than 50% of the equity shares, the Company has the power over these entities, is exposed to or has rights to variable returns from its involvement with these entities and has the ability to use its power over these entities to affect its returns and therefore exercises effective control. Consequently, these entities are considered as subsidiaries and sub-subsidiaries of the Company and are consolidated in these consolidated financial statements.

i) As part of corporate restructuring, the businesses carried on by these entities have been transferred to other RGF subsidiaries in the respective geographies and these entities are under liquidation as of 31 March 2026.

j) On 1st October 2025, the Redington Gulf FZE acquired 50.8% of shares of Redington Bahrain WLL from Middle East Holding Company Limited which results in change in shareholding percentage of 49% to 99.8%.

k) During the year ended 31 March 2026, the Redington Gulf FZE acquired 30% of shares of Redington Gulf & Co. LLC from Middle East Holding Company Limited which results in change in shareholding percentage of 70% to 100%.

l) During the year ended 31 March 2026, Arena Mobile Iletisim Hizmetteri ve Turketici Elektronigi Sanayi ve Ticaret A.S merged with Arena Connect Teknoloji Sanayi ve Ticaret A.S. (formerly Brightstar Telekomünikasyon ve Dağıtım Ltd.Şti).

Non-controlling interests in subsidiaries

m) The table below shows details of non-wholly owned subsidiary of the Group that have non-controlling interests:

Name of Subsidiary	*Country of incorporation*	*Proportion of ownership interests*		*Profit allocated to non-controlling interests*		*Accumulated non- controlling interests*	
		2026	2025	**2026**	2025	**2026**	2025
		%	%	**US$**	US$	**US$**	US$
Arena Bilgisayar Sanayi ve Ticaret A.S. (Arena)	Istanbul, Turkey	**50.6**	50.6	**(22,719,824)**	25,525,729	**28,262,069**	55,704,780

The summarised consolidated financial information below of a non-wholly owned subsidiary, Arena, with a material non-controlling interest represents amounts before intragroup eliminations:

	2026	2025
	US$	US$
Current assets	**252,174,453**	352,225,551
Non-current assets	**22,768,845**	19,483,710
Current liabilities	**225,901,780**	284,257,955
Non-current liabilities	**2,169,524**	3,534,190
Equity attributable to equity holders of Arena	**46,871,994**	83,917,116
Revenue	**765,397,444**	982,406,948
Profit for the year attributable to equity holders of Arena	**(22,180,038)**	24,920,376
Profit for the year attributable to non-controlling interest	**(22,719,824)**	25,525,729
	(44,899,862)	50,446,105

1. Status and operations (continued)

Non-controlling interests in subsidiaries (continued)

	2026	2025
	US$	US$
Total comprehensive income attributable to equity holders of Arena	(24,760,099)	20,453,645
Total comprehensive income attributable to non-controlling interest	(25,359,874)	20,950,495
Total comprehensive income	(50,119,973)	41,404,140
Net cash from operating activities	41,305,751	16,648,014
Net cash used in investing activities	(6,547,437)	(5,391,801)
Net cash used in financing activities	(35,509,560)	(52,664,759)

2. Application of new and revised international financial reporting standards (IFRSs)

2.1 New and amended IFRSs that are effective for the current year

In the current period, the Group has applied a number of amendments to IFRS Accounting Standards and Interpretations issued by the International Accounting Standards Board (IASB) that are effective for an annual period that begins on or after 1 January 2025.

The following new and revised IFRS Accounting Standards, which became effective for annual periods beginning on or after 1 January 2025, have been adopted in these financial statements. Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements.

New and revised IFRSs	***Summary***
Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* relating to Lack of Exchangeability The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.	1 January 2025
Amendments to the SASB (Sustainability Accounting Standards Board) standards to enhance their international applicability The amendments remove and replace jurisdiction-specific references and definitions in the SASB standards, without substantially altering industries, topics or metrics.	1 January 2025

Other than the above, there are no other significant IFRSs and amendments that were effective for the first time for the financial year beginning on or after 1 January 2025

2.2 New and revised IFRSs in issue but not yet effective and not early adopted

At the date of authorisation of these consolidated financial statements, the Group has not applied the following new and revised IFRSs that have been issued but are not yet effective:

New and revised IFRSs	***Effective for annual periods beginning on or after***
Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures* regarding the classification and measurement of financial instruments The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9.	1 January 2026
Annual improvements to IFRS Accounting Standards - Volume 11 The pronouncement comprises the following amendments: •IFRS 1: Hedge accounting by a first-time adopter •IFRS 7: Gain or loss on derecognition •IFRS 7: Disclosure of deferred difference between fair value and transaction price •IFRS 7: Introduction and credit risk disclosures •IFRS 9: Lessee derecognition of lease liabilities •IFRS 9: Transaction price •IFRS 10: Determination of a "de facto agent" IAS 7: Cost method	1 January 2026
IFRS 18 *Presentation and Disclosures in Financial Statements* IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.	1 January 2027

2. Application of new and revised international financial reporting standards (IFRSs) (continued)

2.2 New and revised IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	***Effective for annual periods beginning on or after***
IFRS 19 *Subsidiaries without Public Accountability: Disclosures* IFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.	1 January 2027
Amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures (2011)* The amendments relate to the treatment of the sale or contribution of assets from an investor to its associate or joint venture	Effective date deferred indefinitely. Adoption is still permitted.

The management anticipates that these new standards, interpretations and amendments will be adopted in the Group's financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments may have no material impact on the financial statements of the company in the period of initial application.

3. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power,

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiary is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3.1 Hyperinflation

As of 31 March 2026, an adjustment has been made in accordance with the requirements of IAS 29, Financial Reporting in Hyperinflationary Economies ("IAS 29") regarding the changes in the general purchasing power of the Turkish Lira (TRY). The terms of IAS 29 require that financial statements prepared in the currency in circulation in the economy with hyperinflation should be expressed in the unit of measurement valid at the reporting date and the amounts in previous periods should be prepared in the same way. One of the requirements for the application of IAS 29 is a three-year cumulative inflation rate approaching or exceeding 100%. The correction was made using the correction factor obtained from the Consumer Price Index in Turkey published by Turkish Statistical Institute ("TUIK").

The indices and adjustment factors used to prepare the consolidated financial statements are as follows:

Date	**Index**	**Factor**	**Three-year cumulative inflation rate**
31 March 2026	33,960	1,000	197.4%
31 March 2025	25,950	1,309	226.6%
31 March 2024	18,790	1,807	301.9%

3.1 Hyperinflation (continued)

IAS 29 is applicable for the subsidiaries whose functional currencies are TRY. These subsidiaries are PayNet Odeme Hizmetleri A.S., Arena Labs Teknoloji Cozumleri Anonim Sirketi (formerly Online Electronik Ticaret Hizmetleri A.S), Arena Mobile Iletisim Hizmetteri ve Turketici Elektronigi Sanayi ve Ticaret A.S., Paynet (Kibris) Odeme Hizmetleri Ltd., Arena Connect Teknoloji Sanayi ve Ticaret A.S. and Arena Connect Iletisim ve Servis Limited Sirketi.

The following methods are used in initial application of IAS 29 for the subsidiaries which functional currencies are TRY before consolidation to these consolidated financial statements:

• All assets and liabilities including goodwill and fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of these subsidiaries have been restated in accordance with IAS 29.

• Comparative amounts presented previously in stable currency are not restated and the differences between the closing equity of the previous year and opening equity of the current year are accounted in other comprehensive income as a translation adjustment.

• All items in the statement of financial position, statement of equity, and statement of profit or loss and other comprehensive income of the subsidiaries whose functional currencies are TRY are translated to USD using the closing rate method as at 31 March 2026 - USD/TRY: 44.46 (2025: 37.98). Refer to Note 26 for impact of IAS 29 for year ended 31 March 2026.

Total cumulative effect of restating non-monetary items in accordance with IAS 29 is USD -3.43 million as of 1 April 2025 and has a corresponding impact to other comprehensive income.

4. Material accounting policies

Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS.

These consolidated financial statements are presented in United States Dollars (US Dollar) since the functional and operating currencies of the key group companies are linked to US Dollar and the majority of the Group's business is transacted in US Dollars or linked currencies. The following is a summary of the Material accounting policies adopted:

Basis of accounting

The consolidated financial statements have been prepared on the historical cost basis except for derivative financial assets which is valued at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method except for 'common control' transactions that are accounted for at book values. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non- controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non- controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non- controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash- generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

4. Material accounting policies (continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

Property and equipment

Property and equipment, are stated at cost less accumulated depreciation and any recognised impairment loss. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when incurred.

The cost of property and equipment, is depreciated using the straight-line method over their estimated useful lives as follows:

	Years
Building	20
Warehouse equipment	5
Furniture and fixtures	4-10
Motor vehicles	3-5
Leasehold improvements	3-5
Office equipment	5-8
Computers	3-5

The estimated useful lives and depreciation method is reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in a business combination

Intangible assets that are acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

The following useful lives are used in the calculation of amortisation:

	Years
Trade name	Indefinite
Customer relationship	7
Software	3 - 5

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

Impairment of tangible and intangible assets other than goodwill

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

4. Material accounting policies (continued)

Intangible assets (continued)

Impairment of tangible and intangible assets other than goodwill (continued)

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognised as expense immediately, unless the relevant asset is land or buildings other than investment property carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash- generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Property held for sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Investment property

Investment property is property held for capital appreciation. Investment property is measured at fair value with any change therein recognized in consolidated statement of profit or loss.

Investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is included in the consolidated statement of profit or loss in the period in which the property is derecognised.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Employee benefits

The Group operates a defined benefit plan. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods.

The Group's gratuity plan is unfunded, the defined benefit obligation of which is determined annually by a qualified actuary using the projected unit credit method at each reporting date. Re-measurement of defined benefit obligation, which comprises of actuarial gains and losses are recognised in other comprehensive income in the period in which they occur. The Group determines the net interest expenses on the net defined benefit obligation, taking into account any changes in the defined benefit liability during the period as a result of contribution and benefit payments. Net interest expenses related to defined benefit plan are recognised in "Finance costs" in the consolidated statement of profit or loss and other comprehensive income.

Equity-settled share-based payments

The Group operates a number of equity-settled, share based compensation plans. The fair value of the employee services received in exchange for the grant of the shares/options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares/options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in the assumptions about the number of shares/options that are expected to vest. At each reporting date, the group revises its estimates of the number of shares/options that are expected to vest. It recognizes the impact of the revision to original estimates, if any, in the profit or loss, with a corresponding adjustment to retained earnings.

The Parent Company, Redington Limited, has granted rights to its equity instruments to the employees of the Group and its subsidiaries conditional upon the completion of continuing service with the Group for a specified period. The total amount of the grant over the vesting period is determined by reference to the fair value of the equity instruments granted and is recognised in each period as an increase in the investment in the subsidiaries with a corresponding credit to retained earnings.

In the separate financial statements of the subsidiaries, the fair value of the employee services received in exchange for the grant of the equity instruments of the Group is recognised as an expense with a corresponding credit to equity.

4. Material accounting policies (continued)

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding discounts, rebates, customer returns and other taxes. The following specific recognition criteria must also be met before revenue is recognised:

(i) Revenue from sale of goods

The Group recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

1) Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for each of those rights and obligations.

2) Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

3) Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

4) Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

5) Recognise revenue when (or as) the entity satisfies a performance obligation at a point in time or over time.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

• The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or

• The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

• The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

The Group allocates the transaction price to the performance obligations in a contract based on the input method which requires revenue recognition on the basis of the Group's efforts or inputs to the satisfaction of the performance obligations.

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent and has concluded that it is acting as a principal in all of its revenue arrangements, except for revenue from renewal of service packs and revenue from professional services.

Revenue from renewal of service packs

Revenue from renewal of service packs is recorded as net as there is no inventory risk. Any subsequent purchase or possession of the same service pack by the Group is considered transitory as it is definite that the inventory will ultimately be transferred and there is no meaningful period that the Group holds the inventory before it is transferred to the end user.

(ii) Revenue from professional services

Revenue from professional services is recorded as net as the main responsibility of the Group is to arrange for the services to be performed by the vendor. Revenue is recognised when (or as) the Group satisfies a performance obligation at a point in time.

Taxation

Tax expense comprises current and deferred income taxes.

Current tax

The current tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

4. Material accounting policies (continued)

Taxation (continued)

Deferred tax (continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and deferred tax assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Foreign currencies

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in US Dollar since the functional and operating currencies of the key group companies are linked to the US Dollar and the majority of the Group's business is transacted in US Dollars or linked currencies.

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the consolidated statement of profit or loss and other comprehensive income in the period in which they arise.

Apart from the financial statements of group entities in hyperinflationary economy, the assets and liabilities of the Group's foreign operations are expressed in US Dollars using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve (attributed to non- controlling interests as appropriate).

The financial statements of group entities which functional currency is the currency of a hyperinflationary economy are adjusted for inflation and then translated into US Dollars using the balance sheet exchange rate. Amounts shown for prior years for comparative purposes are not modified. To determine the existence of hyperinflation, the Group assesses the qualitative and quantitative characteristics of the economic environment of the country, such as the cumulative inflation rate over the previous three years.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the consolidated statement of profit or loss and other comprehensive income.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at amortised cost.

Amortised cost and effective interest rate method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

4. Material accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Amortised cost and effective interest rate method (continued)

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial instruments other than purchased or originated credit impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

Impairment of financial assets

The Group always recognises lifetime ECL for trade receivables. The expected credit loss on this financial asset is estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

(a) The financial instrument has a low risk of default,

(b) The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and

(c) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

(ii) Definition of default

The Group employs statistical models to analyse the data collected and generate estimates of probability of default ("PD") of exposures with the passage of time. This analysis includes the identification for any changes in default rates and changes in key macro-economic factors across various geographies of the Group.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit- impaired includes observable data about the following events:

a) significant financial difficulty of the issuer or the borrower;
b) a breach of contract, such as a default or past due event (see (ii) above);
c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

4. Material accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not designated as FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Leases

The Group as lessee

The Group assesses whether contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line item in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest method) and by reducing the carrying amount to reflect the lease payments made.

4. Material accounting policies (continued)

Leases (continued)

The Group as lessee (continued)

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of- use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset

The right-of-use of assets are presented as a separate line item in the consolidated statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for an identified impairment loss as described in the 'Property and equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Other expenses' in the consolidated statement of profit or loss and other comprehensive income.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient.

5. Critical accounting judgment and key sources of estimation uncertainty in applying the Group's accounting policies

Critical judgment in applying the Group's accounting policies

In the process of applying the Group's accounting policies, which are described in Note 4 to the consolidated financial statements, management has made the following judgments that have the most significant effect on the amounts recognised in the consolidated financial statements (apart from those involving estimations, which are dealt with below).

Warranties

The Group's Original Equipment Manufacturer ("OEM") generally warrants the products distributed by the Group and these are assurance warranties provided in the normal course of business relating to product performance. The Group generally does not independently warrant the products it distributes and management does not consider that any provision for warranties or claims is required.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Provision for impairment of trade receivables

The Group measures the estimated credit losses at an amount equal to lifetime ECL. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward-looking information. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Calculation of loss allowance

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. The Group also considers the impact of currency devaluation and effect on macro- economic factor in measuring ECL.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Impairment of goodwill and intangible assets

The Group carries out an impairment review whenever events or changes in circumstance indicate that the carrying value of goodwill and intangible assets may not be recoverable. In addition, the Group carries out an annual impairment review as required by IAS 36.

5. Critical accounting judgment and key sources of estimation uncertainty in applying the Group's accounting policies (continued)

Key sources of estimation uncertainty (continued)

Impairment of goodwill and intangible assets (continued)

In determining whether goodwill and intangible assets are impaired requires an estimation of the value in use of the cash-generating units to which goodwill and intangible assets have been allocated. The value in use calculation requires the Directors to estimate the future cash flows expected to arise from the cash- generating unit (CGU) and a suitable discount rate in order to calculate present value.

Impairment losses on intangible assets recorded during the year ended 31 March 2026 and impairment losses on goodwill recorded during the year ended 31 March 2025. Refer to Note 7 for impairment loss on intangible assets for the year ended 31 March 2026 and Note 8(a) for impairment losses on goodwill for the year ended 31 March 2025.

Inventory obsolescence

Inventories are stated at the lower of cost and net realisable value (net of price protection rebates). Adjustments to reduce the cost of inventory to its realisable value, if required, are made at the product group level for estimated excess, obsolescence or impaired balances. Factors influencing these adjustments include changes in demand, rapid technological changes, product life cycle, product pricing, physical deterioration and quality issues. Revisions to these adjustments would be required if these factors differ from the estimates.

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Discounting of lease payments

The lease payments are discounted using the Group's incremental borrowing rate ("IBR"), which is equal to in 2026 6.10% (2025: 6.82%) due to the absence of implicit rates in the lease contracts.

Management has applied judgments and estimates to determine the IBR at the commencement of lease, using borrowing rates that certain financial institutions would charge the Group against financing the different types of assets it leased over different terms and different ranges of values. Majority of the leases are present in the U.A.E. accordingly no adjustment for the economic environment was deemed required.

Assessment as to whether the right-of-use assets is impaired

In estimating the recoverable amount of the right-of-use assets, the Management has made assumptions about the achievable market rates for similar properties with similar lease terms. The Management believes that any reasonably possible change in the key assumptions on which the recoverable amount of the right-of-use assets is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amounts of the related cash generating unit.

Original Equipment Manufacturer ("OEM") supplier programs

OEM suppliers formulate programs for inventory volume promotion programs and price protection rebates. Inventory volume promotion programs and price protection rebates are recorded as a reduction of cost of sales. The rebates are accrued based on the terms of the program and sales of qualifying products. Some of these programs may extend over one or more quarterly reporting periods. The Group tracks vendor promotional programs for volume discounts on a program-by-program basis. Once the program is implemented, the benefit of the program based on the actual volume is recorded as a receivable from vendors with a corresponding reduction in the cost of sales. Concurrently, the vendor receivable is collected generally through reductions authorised by the vendor to accounts payable. The Group monitors the balances of receivables from vendors on a monthly basis. Actual rebates may vary based on volume or other sales achievement levels, which could result in an increase or reduction in the estimated amounts previously accrued. OEM suppliers may change the terms of some or all these programs or cease them altogether. Any such change could impact the gross margins on products or revenue earned.

Customer incentive

The Group accrues for rebates for its customers based on contracted percentages on the total sales made during the year and based on fulfilment of the related obligations, which require management to ascertain the target met by its customers during the period of agreement.

Impact of geopolitical developments

During the financial year, geopolitical tensions in the Middle East have escalated following a conflict involving the United States, Israel and Iran. As at the date of authorisation of these consolidated financial statements, management is actively monitoring the situation. The evolving geopolitical conditions present heightened risks related to regional security, logistics, energy supply, and insurance coverage, which may potentially affect operational continuity. However, as of the reporting date, , the operations are proceeding unimpeded, and based on its judgments, estimates and assumptions, the Group has identified no impairment to its assets or material adverse effects on its financial position resulting from the geo-political conflict.

In addition, this could also lead to volatility in oil prices. However, the extent and duration of any such effects remain uncertain and dependent on future developments. Given the rapidly changing circumstances, it is currently not possible to reliably estimate any potential financial impact. Management will continue to closely monitor the situation and assess any implications for the Group's operations, consolidated financial position, and consolidated financial performance.

6. Property and equipment

Particulars	Building	Warehouse equipment	Furniture and fixtures	Motor vehicles	Leasehold improvements	Office equipment	Computers	Total
	US$	US$	US$	US$	US$	US$	US$	US$
Cost								
At 1 April 2024	6,767,484	2,883,435	11,168,828	1,574,388	1,710,033	8,268,742	3,806,445	36,179,355
Impact of application of IAS 29 (Note 3.1)	-	-	285,260	-	-	-	-	285,260
Currency translation adjustments	17,118	(72,450)	(1,688,662)	(427,414)	129,399	(443,662)	(499,552)	(2,985,223)
Additions/transfers	-	10,439	1,589,521	83,099	1,544,514	153,421	500,421	3,881,415
Disposals	(1)	(841,814)	(864,652)	-	(3,408)	(357,156)	(443,918)	(2,510,949)
Decognition due to transfer of subsidiary	-	-	(2,087,677)	-	(51,251)	(2,391)	(41,938)	(2,183,257)
At 31 March 2025	6,784,601	1,979,610	8,402,618	1,230,073	3,329,287	7,618,954	3,321,458	32,666,601
Impact of application of IAS 29 (Note 3.1)	-	-	-	-	-	-	-	-
Currency translation adjustments	**1**	**2,626**	**1,792**	**34,557**	**(35)**	**21,149**	**25,115**	**85,205**
Additions/transfers	-	**23,853**	**568,315**	**4,970**	**187,086**	**429,736**	**487,330**	**1,701,290**
Disposals	**(1,254)**	**(10,979)**	**(821,558)**	**(267,828)**	**(113,611)**	**(139,123)**	**(470,171)**	**(1,824,523)**
Decognition due to transfer of subsidiary	-	-	-	-	-	-	-	-
At 31 March 2026	**6,783,348**	**1,995,110**	**8,151,167**	**1,001,772**	**3,402,727**	**7,930,716**	**3,363,732**	**32,628,572**
Accumulated depreciation								
At 1 April 2024	4,566,371	2,653,227	9,620,565	997,538	788,180	7,631,312	3,191,942	29,449,135
Impact of application of IAS 29 (Note 3.1)	-	-	(149,661)	-	-	-	-	(149,661)
Currency translation adjustments	2,950	(22,736)	(996,440)	(283,889)	37,944	(310,792)	(346,799)	(1,919,762)
Charge for the year (Note 25)	336,974	71,228	747,389	152,220	221,748	173,861	391,198	2,094,618
Charge for the year for discontinued operations	-	-	1,164,740	-	-	-	-	1,164,740
Decognition due to transfer of subsidiary	-	-	(1,722,930)	-	(4,705)	(2,181)	(33,638)	(1,763,454)
Eliminated on disposals	(1)	(841,379)	(861,626)	-	(3,408)	(351,352)	(344,609)	(2,402,375)
At 31 March 2025	4,906,294	1,860,340	7,802,037	865,869	1,039,759	7,140,848	2,858,094	26,473,241
Impact of application of IAS 29 (Note 3.1)	-	-	-	-	-	-	-	-
Currency translation adjustments	**(2)**	**2,511**	**(26,210)**	**25,780**	**858**	**18,803**	**19,257**	**40,996**
Charge for the year (Note 25)	**336,940**	**63,760**	**398,504**	**112,322**	**290,651**	**183,560**	**365,340**	**1,751,077**
Charge for the year for discontinued operations	-	-	-	-	-	-	-	-
Derecognition due to transfer of subsidiary	-	-	-	-	-	-	-	-
Eliminated on disposals	**(1,227)**	**(8,924)**	**(622,023)**	**(145,426)**	**(42,243)**	**(116,451)**	**(393,652)**	**(1,329,946)**
At 31 March 2026	**5,242,005**	**1,917,687**	**7,552,308**	**858,545**	**1,289,025**	**7,226,760**	**2,849,039**	**26,935,369**
Carrying amount								
At 31 March 2026	**1,541,343**	**77,423**	**598,859**	**143,227**	**2,113,702**	**703,956**	**514,693**	**5,693,203**
At 31 March 2025	1,878,307	119,270	600,581	364,204	2,289,528	478,106	463,364	6,193,360

The building consists of a distribution centre in Jebel Ali Free Zone which is constructed on land leased for a period of 20 years expiring in 2027.

7. Other intangible assets

Particulars	Trade name	Customer relationship	Software	Work-in-progress	Total
	US$	US$	US$	US$	US$
Cost					
At 1 April 2024	33,851,100	17,355,278	17,609,321	238,839	69,054,538
Impact of application of IAS 29 (Note 3.1)	-	-	1,582,518	-	1,582,518
Currency translation adjustments	-	-	(187,222)	114,678	(72,544)
Additions during the year	-	-	4,546,497	-	4,546,497
Decognition due to transfer of subsidiary	-	-	(3,307,326)	(52,973)	(3,360,299)
Write-off	-	-	(229,818)	-	(229,818)
At 31 March 2025	33,851,100	17,355,278	20,013,970	300,544	71,520,892
Impact of application of IAS 29 (Note 3.1)	-	-	-	-	-
Currency translation adjustments	-	-	**(1,573,435)**	-	**(1,573,435)**
Additions during the year	-	-	**2,201,675**	**1,902,027**	**4,103,702**
Decognition due to transfer of subsidiary	-	-	-	-	-
Impairment	**(17,191,071)**	-	-	-	**(17,191,071)**
Write-off	-	**(10,365,284)**	**(418,758)**	**(21,713)**	**(10,805,755)**
At 31 March 2026	**16,660,029**	**6,989,994**	**20,223,452**	**2,180,857**	**46,054,332**
Accumulated amortisation and impairment loss					
At 1 April 2024	8,215,428	10,648,971	14,882,487	-	33,746,886
Impact of application of IAS 29 (Note 3.1)	-	-	3,666,897	-	3,666,897
Currency translation adjustments	-	-	(2,311,267)	-	(2,311,267)
Amortisation during the year (Note 25)	-	3,549,817	1,568,444	-	5,118,261
Amortisation during the year for discontinued operations	-	-	316,557	-	316,557
Decognition due to transfer of subsidiary	-	-	(1,219,428)	-	(1,219,428)
Write-off	-	-	(224,721)	-	(224,721)
At 31 March 2025	8,215,428	14,198,788	16,678,969	-	39,093,185
Impact of application of IAS 29 (Note 3.1)	-	-	-	-	-
Currency translation adjustments	-	**(993,606)**	**(1,838,411)**	-	**(2,832,017)**
Amortisation during the year (Note 25)	-	**1,904,285**	**1,807,016**	-	**3,711,301**
Amortisation during the year for discontinued operations	-	-	-	-	-
Decognition due to transfer of subsidiary [Note 1(l)]	-	-	-	-	-
Write-off	-	**(8,119,473)**	**(28,767)**	-	**(8,148,240)**
At 31 March 2026	**8,215,428**	**6,989,994**	**16,618,807**	-	**31,824,229**
Carrying amounts					
At 31 March 2026	**8,444,601**	-	**3,604,645**	**2,180,857**	**14,230,103**
At 31 March 2025	25,635,672	3,156,490	3,335,001	300,544	32,427,708

Work-in-progress represents costs incurred as at the reporting date on the development of the Group's various business software.

Trade name and customer relationship resulted from the investments in subsidiaries in Turkey.

The Group carried out an impairment assessment of the trade name classified as an intangible asset arising from its investment in its step-down subsidiary, Arena Bilgisayar Sanayi Ve Ticaret A.S.. Based on the assessment, the Group recognized an impairment loss of USD 17,191,071. This has arisen primarily due to challenging economic conditions in Turkey.

	2026	2025
	US$	US$
With finite useful life	**5,785,503**	6,792,036
With indefinite useful life	**8,444,601**	25,635,672
	14,230,104	32,427,708

8. Goodwill

	2026	2025
a)	US$	US$
Balance at the beginning of the year	**6,975,890**	8,422,143
Exchange rate effect	**-**	(1,171,420)
Provision for impairment	**-**	(2,904,441)
Disposal	**(6,626,331)**	-
Impact of application of IAS 29 (Note 3.1)	**-**	2,629,608
Balance at 31 March	**349,559**	6,975,890

Following the commencement of non-binding negotiations between Arena Connect Teknoloji Sanayi ve Ticaret A.Ş. ("Arena Connect"), a subsidiary of the Company, and Datagate Bilgisayar Malzemeleri Ticaret A.Ş. ("Datagate Bilgisayar") regarding the transfer of the Device Distribution Service and Supply Agreement signed with Vodafone Dağıtım, Servis ve İçerik Hizmetleri A.Ş., Datagate Bilgisayar applied to the Competition Board on July 2, 2025, for the transfer of the agreement. At its meeting on July 31, 2025, the Competition Board granted an individual exemption to the planned Commercial Contract Transfer Protocol, and negotiations continued regarding the signing of the agreement. As a result of the agreement reached between Arena Connect and Datagate Bilgisayar on September 19, 2025, it was decided that the transferred agreement would enter into force on October 1, 2025. The price for the transfer of the agreement was determined as USD 8,000,000 + VAT. The transfer transactions have been completed, and these consolidated financial statements include the effects of the related transfer transaction.

Based on negotiations in the previous year, the Group has received indicative commercial terms that provided a basis for estimating the recoverable value of the asset. As a result of this assessment an impairment loss of USD 2.90 million has been recognized in the previous year in the Statement of Consolidated Profit and Loss of the Group.

Goodwill has been allocated for impairment testing purposes to the following cash-generating units:

	2026	2025
	US$	US$
Redington Turkey Teknoloji A.Ş. (Redington Turkey)	**349,559**	349,559
Arena Connect Teknoloji Sanayi ve Ticaret A.S. (formerly Brightstar Telekomünikasyon ve Dağıtım Ltd.Şti) (Arena Connect)	**-**	6,626,331

The recoverable amount of the above cash-generating unit is determined based on a value-in-use calculation which uses cash flow projections based on financial budgets prepared by management covering a five-year period, after which an estimated long term growth rate of 2.00% (2025: 2.00%) is applied, and a weighted average cost of capital of 15.49% (2025: 14.19%) per annum.

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for each of the group of cash generating units (CGUs) to which goodwill is allocated. The Management believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the related CGUs.

b) On 1 December 2021, Arena Bilgisayar Sanayi ve Ticaret A.S. acquired 100% of Arena Connect Teknoloji Sanayi ve Ticaret A.S. (formerly Brightstar Telekomünikasyon ve Dağıtım Ltd.Şti). The fair value of the net assets acquired was as follows:

	US$
Assets	
Cash and cash equivalents	**1,236,816**
Trade and other receivables	**44,951,181**
Inventories	**14,062,903**
Property and equipment	**143,810**
Other intangible assets	**44,753**
Right-of-use assets	**201,055**
Deferred tax asset	**359,239**
Total assets	**60,999,757**
Liabilities	
Bank borrowings	**504,885**
Trade and other payables	**47,207,688**
Lease liabilities	**198,179**
Employees' end-of-service indemnity	**164,081**
Total liabilities	**48,074,833**
Net assets	**12,924,924**
Intangible assets arising from acquisition:	
Customer relationship	**6,762,000**
Total net identifiable assets acquired	**19,686,924**
Purchase consideration	**26,135,245**
Goodwill	**6,448,321**

The fair value of identifiable intangible assets arising from the acquisition of Arena Connect was determined by an independent valuer.

	US$
Purchase consideration	**26,135,245**
Less: Cash and cash equivalents acquired	**1,236,816**
Net cash outflow on acquisition of a subsidiary	**24,898,429**

9. Taxation

The Group is subject to corporate income tax in United Arab Emirates, Kuwait, Qatar, Senegal, Egypt, Kingdom of Saudi Arabia, Oman, Morocco, Tanzania, South Africa, Ghana, Uganda, Nigeria, Kenya, India, Kazakhstan, Angola, Rwanda, Cyprus, Turkey and Luxembourg where the subsidiaries operate. The applicable income tax rates of the Group range from 9% to 43%. In addition to the Corporate Tax, Pillar Tax also became applicable during the year.

As per the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses released by the UAE Ministry of Finance, Corporate Tax regime became applicable for accounting periods beginning on or after 1 June 2023 in United Arab Emirates.

As per the regulations, the holding company in UAE has an option to form a tax group and file a consolidated tax return on behalf of the group including its subsidiaries subject to terms & conditions. Accordingly, the Company had formed “Redington Gulf Tax Group” along with its four eligible subsidiaries operating in UAE and registered with Federal Tax Authority (FTA), which issued a certificate to this effect on 8 Feb 2025. The Tax Group had filed its first Corporate Tax Return for the Financial Year 2024-25 during December 2025 and paid the due taxes (9% Corporate tax). For tax reporting purpose, Aggregate financial statements would be prepared for this tax group, exclusively for the purpose of tax return filing.

The Organization for Economic Cooperation and Development (“OECD") has published Global Anti-Base Erosion (“GloBE”) Model Rules aimed at ensuring that the worldwide profits of multinational groups are subject to tax at a rate not lower than 15% in every jurisdiction in which the groups operate. ("Pillar Two").

Subsequently, the UAE Ministry of Finance has implemented Pillar Two through introducing Domestic Minimum Top-up Tax (DMTT) effective for fiscal years starting on or after January 1, 2025, through Cabinet Decision No. 142 of 2024.

Redington Group on a consolidated basis, operating in multiple jurisdictions, meets the Revenue threshold of EUR 750 Million for applicability of Pillar Two provisions implemented in the Country for the financial year starting on or after 1st January 2025. Accordingly, the Group will be liable to the Qualified Domestic Top Up Tax (QDMTT) in the UAE from present financial year (2025-26) onwards.

a) Tax expense for the year is as follows:

	2026	2025
	US$	US$
Current taxation (includes Pillar 2 Top-up Tax & Tax Component-OCI)	**19,226,350**	23,443,054
Deferred taxation	**(12,318,659)**	173,419
	6,907,691	23,616,472

b) The relationship between the income tax expense and the accounting profit can be broadly explained as follows:

	2026	2025
	US$	US$
Profit for the year before income tax	**33,435,632**	135,339,947
Domestic tax (9%)	**4,963,768**	3,982,665
Tax in foreign jurisdictions	**11,299,922**	19,460,389
Pillar 2 Top-up Tax	**2,962,660**	-
Tax effect of Temporary Differences - Deferred tax	**(12,318,659)**	173,419
Income tax expense	**6,907,691**	23,616,472
Effective tax rate	**21%**	17%

c) The movement of income tax payable is as follows:	**2026**	2025
	US$	US$
Balance at the beginning of the year	**23,040,734**	13,496,105
Charge for the year	**19,226,350**	23,443,054
De-recognised due to transfer of subsidiary	**-**	(268,966)
Tax paid during the year	**(19,080,841)**	(13,629,459)
Balance at the end of the year	**23,186,243**	23,040,734

d) The movement in deferred tax asset and liability are as follows:	**2026**	2025
	US$	US$
Deferred tax asset		
Balance at the beginning of the year	**3,039,967**	5,129,265
Deferred tax benefit/(expense) for the year	**11,427,395**	(628,248)
Impact of application of IAS 29	**(82,958)**	(208,230)
Exchange rate effect	**342,935**	(1,252,820)
Balance at the end of the year	**14,727,339**	3,039,967
Deferred tax liability		
Balance at the beginning of the year	**(1,362,893)**	(821,728)
Deferred tax benefit for the year	**891,264**	454,829
De-recognised due to transfer of subsidiary	**-**	232,531
Impact of application of IAS 29	**-**	(791,232)
Exchange rate effect	**273,071**	(437,293)
Balance at the end of the year	**(198,558)**	(1,362,893)

10. Investment property

	2026	2025
	US$	US$
Opening balance	3,011,911	1,579,661
Additions	1,751,392	1,584,260
Net gain arising from fair value change	630,842	-
Currency translation adjustments	(235,704)	(152,010)
Closing balance	5,158,441	3,011,911

As of 31 March 2026, the fair value of the Company's investment properties has been determined by an independent valuation expert authorized by the Capital Markets Board (SPK), using a market comparison approach that reflects current transaction prices for similar properties.

No additional valuation report was obtained for investment properties acquired in the current year, as their acquisition cost converged to their fair value.

11. Inventories

	2026	2025
	US$	US$
Goods held for sale	391,934,135	384,322,790
Less: Allowance for slow-moving items	(17,105,653)	(14,488,686)
	374,828,482	369,834,104
Goods in transit	12,837,275	12,167,099
	387,665,757	382,001,203

The cumulative effect of restating inventories in accordance with IAS 29 for the year ended 31 March 2026 amounted to USD 35,924 (2025 USD 251,698).

Movement in allowance for slow-moving items:

	2026	2025
	US$	US$
Opening balance	14,488,686	14,465,341
Allowance for slow-moving inventories (Note 24)	2,829,453	174,886
Currency translation adjustments	(212,486)	(151,541)
Closing balance	17,105,653	14,488,686

12. Trade and other receivables

	2026	2025
	US$	US$
Trade receivables	1,073,138,595	1,016,126,552
Less: Expected credit losses	(37,872,869)	(25,035,416)
	1,035,265,726	991,091,136
Receivables from suppliers	10,578,960	30,246,592
Advances to suppliers	11,178,358	16,803,806
Prepayments	7,477,162	9,375,986
Deposits	1,354,893	2,027,467
Withholding tax receivable	1,869,841	999,018
Staff advances	167,406	244,937
Other receivables	29,989,584	21,904,546
	1,097,881,931	1,072,693,488

Management considers that the carrying amount of trade and other receivables approximates their fair value.

The average credit period on sales of goods and services is 69 days (2025: 68 days). There are no customers who represent more than 10% of the total balance of trade receivables.

The following table details the risk profile of trade receivables based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the expected credit losses based on past due status is not further distinguished between the Group's different customer base:

	Gross carrying amount at default	Impaired receivables	Not impaired receivables
	US$	US$	US$
31 March 2026			
Current	839,540,577	(2,940,044)	836,600,533
Past due by:			
1 - 30 days	110,619,467	(1,149,669)	109,469,798
31 - 60 days	57,979,428	(618,730)	57,360,698
61 - 90 days	19,638,828	(441,762)	19,197,066
Over 90 days	45,360,295	(32,722,664)	12,637,631
	1,073,138,595	(37,872,869)	1,035,265,726

12. Trade and other receivables (continued)

	Gross carrying amount at default	Impaired receivables	Not impaired receivables
	US$	US$	US$
31 March 2025			
Current	842,758,852	(8,677,067)	834,081,785
Past due by:			
1 - 30 days	103,401,744	(160,753)	103,240,991
31 - 60 days	39,422,680	(27,598)	39,395,082
61 - 90 days	11,258,063	(1,492,975)	9,765,088
Over 90 days	19,285,213	(14,677,023)	4,608,190
	1,016,126,552	(25,035,416)	991,091,136

Movement in the expected credit losses **:**	**2026**	2025
	US$	US$
Balance at the beginning of the year	**25,035,416**	22,377,671
Expected credit losses (Note 24)	**13,496,253**	2,514,519
Currency translation adjustments	**(658,800)**	143,226
Balance at end of the year	**37,872,869**	25,035,416

13. Other financial assets

	2026	2025
	US$	US$
Margin deposits	**806,566**	130,941
	806,566	130,941

Margin deposits are held by banks against labour guarantee issued.

14. Cash and cash equivalents

	2026	2025
	US$	US$
Cash on hand	**100,164**	240,361
Bank balances:		
- Current accounts	**74,725,567**	117,942,938
- Short-term deposits	**11,003,231**	7,957,015
- Funds in transit	**2,039,080**	1,895,193
	87,868,042	128,035,507

Short-term deposits have maturity period of 3 months or less and carry an average interest rate of 9.77% per annum (2025: 6.56% per annum).

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries. Accordingly, the management of the Group estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the banks, the management of the Group have assessed that the credit risk associated with these is very low, if any, as at the end of reporting period, and hence have not recorded any expected credit loss allowances on these balances.

15. Share capital

	2026	2025
	US$	US$
Authorized, issued and fully paid up:		
27,668,025 shares (2025: 27,668,025) of US$ 1 each	**27,668,025**	27,668,025

16. Capital reserve

Capital reserve represents the excess of book value of net assets over the purchase consideration paid for entities transferred which were under common control.

17. Retained earnings

Retained earnings include USD 2,921,594 (2025: USD 2,990,811) representing statutory reserves and legal reserves required by the local laws of the countries where subsidiaries are established, created by allocating a certain mandated percentage of the profits for the year to these statutory reserves. These reserves are not distributable except as allowed by the relevant country's law.

18. Employees' end-of-service indemnity

The Group provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. The Group's obligation towards gratuity is a defined benefit plan and the details of actuarial valuation as at year-end are as follows:

Movement in the present value of defined benefit obligation:

	2026	2025
	US$	US$
Balance at beginning of the year	**15,559,718**	14,938,683
Derecognistion due to transfer of subsidiary	**-**	(82,827)
Service cost	**2,267,145**	2,334,631
Net interest cost	**692,777**	677,752
Actuarial loss/(gain) on obligation	**614,944**	(565,727)
Impact of application of IAS 29	**-**	88
Transfer to related party	**-**	(550,084)
Currency translation adjustments	**1,362,143**	-
Benefits paid	**(2,745,581)**	(1,192,798)
Balance at end of the year	**17,751,146**	15,559,718

Expense recognized in "Employee benefits" included in the statement of profit or loss and other comprehensive income:

	2026	2025
	US$	US$
Service cost	**2,267,145**	2,334,631
Net interest cost	**692,777**	677,752
	2,959,922	3,012,383

Principal assumptions used for purposes of the actuarial valuation:

	2026	2025
Discount rate	**4.20% to 13.10%**	4.70% to 13.75%
Salary escalation rate	**4.20% to 13.10%**	5.00%
Mortality rate	**Per AM (80) table**	Per AM (80) table
Withdrawal rate	**5.40% to 30.00%**	5.40% to 30.00%

The sensitivity analysis has been determined based on the exposure to discount rates, salary escalation rate, mortality rate and withdrawal rate. The sensitivity rate applied by the Group to ascertain the impact in one of the actuarial assumptions, keeping other assumptions constant, on the defined benefit obligation is as follows:

	Increase/(decrease)	
	2026	2025
	US$	US$
Increase of 1% in assumptions		
Discount rate	**(787,512)**	(763,589)
Salary escalation rate	**940,761**	911,894
Decrease of 1% in assumptions		
Discount rate	**864,725**	847,002
Salary escalation rate	**(871,844)**	(836,508)

19. Bank borrowings

	2026	2025
	US$	US$
Trust receipts	**-**	22,299,558
Bank loans	**103,702,745**	103,459,590
Overdraft	**20,502,113**	16,856,140
	124,204,858	142,615,288
Current	**124,204,858**	142,597,775
Non-current	**-**	17,513
	124,204,858	142,615,288

a) Bank loans are at floating rates of interest. for the year ended 31 March 2026, the average interest rate is at 9.36% per annum (2025: 9.71% per annum). Non-current portion of bank loans are repayable within two years.

b) No shares were pledged during the year ended 31 March 2026. For the year ended 31 March 2025, 100% shares of Arena Connect Teknoloji Sanayi ve Ticaret A.S. (formerly Brightstar Telekomünikasyon ve Dağıtım Ltd.Şti) are pledged to bank loans amounting to US$ 1.8 million.

c) Movement in bank borrowings is as follows:

	Trust receipts	**Bank loans**	**Overdraft**	**Total**
	US$	**US$**	**US$**	**US$**
Balance as at 1 April 2024	20,624,835	112,001,345	8,047,420	140,673,600
New loans availed	1,004,748,072	507,194,592	1,907,152,336	3,419,095,000
Repayments made	(1,003,073,349)	(515,736,347)	(1,898,343,616)	(3,417,153,312)
Balance as at 31 March 2025	22,299,558	103,459,590	16,856,140	142,615,288
New loans availed	**849,518,043**	**147,987,551**	**459,941,776**	**1,457,447,371**
Repayments made	**(871,817,602)**	**(147,744,396)**	**(456,295,803)**	**(1,475,857,800)**
Balance as at 31 March 2026	**-**	**103,702,745**	**20,502,113**	**124,204,858**

20. Trade and other payables

	2026	2025
	US$	US$
Trade payables	**739,951,653**	717,911,970
Accrued expenses and other payables	**130,017,184**	113,494,704
Advances from customers	**36,494,412**	57,079,935
	906,463,249	888,486,609

21. Related party balances and transactions

The Group enters into transactions with the companies and entities that fall within the definition of a related party as contained in IAS 24 Related Party Disclosures. Related parties comprise companies and entities under common ownership and/or common management and control and key management personnel. Management decides on the terms and conditions of the transactions and of services received/rendered from/to related parties as well as on other charges.

As at the reporting date, related party balances are as follows:

	2026	2025
Due from related parties	**US$**	US$
Parent company	**376,727**	346,071
Entity with significant influence	**76,013**	-
Entities under common control/ownership	**7,512,382**	1,873,798
	7,965,122	2,219,869
Due to related parties		
Parent company	**1,159,344**	-
Entity under common control/ownership	**2,478,763**	2,532,038
	3,638,108	2,532,038

Balances with related parties are current, interest-free, unsecured and has no fixed repayment terms.

21. Related party balances and transactions (continued)

The Group has determined that the amounts due from related parties do not carry a credit risk and hence no expected or specific loss allowance is required on these balances. In the process of making this determination, the Group has considered the terms underlying these balances, historical default rate, the ability of the related parties to settle these balances when due and the right of set off on a Group basis. The balances due from related parties are repayable on demand and there is no historical default rate. The settlement of the related party balances are managed by the ultimate controlling party through their centralized treasury process.

The following is a summary of transactions with related parties, which are included in the consolidated financial statements:

	2026	2025
	US$	US$
Parent company		
Dividend paid	**(34,000,000)**	(51,757,885)
Recovery of expenses	**49,584**	229,849

	2026	2025
Entities under common ownership/control	**US$**	US$
Sales	**52,488,796**	41,105,955
Service fee paid	**(5,980,181)**	(5,822,062)
Interest and corporate guarantee charges [Note 21(a)]	**38,071**	46,513
Purchases and Service charges	**(13,711,764)**	(15,298,574)
Supplier rebates transferred	**3,211,385**	2,645,135
Recharge of common costs	**5,535,780**	4,586,722
(Reimbursement) / Recovery of expenses	**(613,851)**	205,377
Entity with significant influence		
Audit fee reimbursement	**76,013**	59,208

(a) These amount represents interest on loan given to Proconnect Supply Chain Logistics LLC by Redington Gulf FZE amounting to USD 0.5 million (2025: USD 1.2 million).

Compensation of key management personnel

The remuneration of members of key management during the year was as follows:

	2026	2025
	US$	US$
Salaries and benefits	**435,939**	922,358
Long-term benefits	**43,060**	37,447
	478,999	959,805

22. Loan to group company

	2026	2025
	US$	US$
Loan to group company	**500,000**	1,200,000

Redington Gulf FZE has given loan to Proconnect Supply Chain Logistics LLC amounting to USD 0.5 million (2025: USD 1.2 million) for an interest rate of 7% per annum.

23. Right-of-use assets and lease liabilities

Group as a lessee

The Group leases several assets including land, buildings and motor vehicles. The average lease term is 4 years.

Right-of-use assets	**2026**	2025
	US$	US$
1 April	**9,117,343**	8,216,473
Depreciation expense (Note 25)	**(5,038,390)**	(4,286,058)
Additions for the year	**7,835,379**	7,371,367
Derecognition due to transfer of subsidiary	**-**	(653,597)
Deletions for the year	**(1,095,040)**	(499,594)
Currency translation differences	**(1,094,877)**	(1,031,248)
31 March	**9,724,415**	9,117,343

Lease liabilities

	2026	2025
	US$	US$
1 April	**7,589,732**	5,941,931
Additions for the year	**7,835,379**	7,156,718
Interest expense	**815,805**	598,578
Derecognition due to transfer of subsidiary	**-**	(72,103)
Payments	**(4,565,918)**	(4,628,396)
Deletions for the year	**(2,754,783)**	(1,420,458)
Currency translation differences	**(319,615)**	13,462
31 March	**8,600,600**	7,589,732

	2025	2024
	US$	US$
Current	**3,773,891**	2,425,962
Non- current	**4,826,709**	5,163,770
	8,600,600	7,589,732

The management tested for indicators of impairment relating to right-of-use assets as at the reporting date in accordance with IAS 36 and have concluded that there is no impairment.

24. Other expenses - net

	2026	2025
	US$	US$
Sales promotion	**21,012,657**	16,874,936
Software expenses	**13,246,371**	11,104,702
Bank charges	**12,294,389**	15,331,088
Factoring Charges	**11,107,091**	19,098,744
Insurance	**8,479,996**	6,300,518
Freight outwards	**10,729,579**	12,396,991
Allowance for slow-moving inventories (Note 11)	**2,829,453**	174,886
Consultancy expenses	**4,394,369**	3,999,173
Traveling	**4,397,026**	4,171,489
Expected credit losses (Note 12)	**13,496,253**	2,514,519
Legal and professional charges	**947,106**	874,136
Repairs and maintenance	**1,780,512**	1,697,978
Communication expenses	**1,159,642**	1,131,896
Advertisement	**808,984**	1,020,408
Loss on sale of assets	**2,155,100**	-
Others	**24,042,917**	30,149,228
	132,881,444	126,840,692

25. Depreciation and amortisation expenses

	2026	2025
	US$	US$
Depreciation of right-of-use assets (Note 23)	**5,038,390**	4,286,058
Amortisation of intangible assets (Note 7)	**3,711,301**	5,118,261
Depreciation of property and equipment (Note 6)	**1,751,077**	2,094,618
	10,500,768	11,498,937

26. Non-underlying item net monetary gain arising from hyperinflationary economy

	2026	2025
	US$	US$
Non-underlying item net monetary gain arising from hyperinflationary economy	**1,347,568**	6,781,637

The cumulative effect of restating non-monetary items and profit or loss items in accordance with IAS 29 for the year ended 31 March 2026 USD 2.73 million and -1.38 USD million (31 March 2025 amounted to USD -3.43 million and USD 10.21 million, respectively).

27. Financial instruments

(a) Material accounting policy

Details of the Material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 4 to the consolidated financial statements.

(b) Categories of financial instruments

	2026	2025
	US$	US$
Financial assets		
Financial assets at amortised cost	**1,163,749,935**	1,146,609,467
Derivative financial assets at fair value	**5,532**	-
	1,163,755,467	1,146,609,467
Financial liabilities		
Financial liabilities at amortised cost	**1,006,412,404**	984,143,732
Derivative financial liabilities at fair value	**36,032**	-
	1,006,448,436	984,143,732

(c) Fair value

The Group has valued its derivative financial instruments based on the valuation techniques. All other financial assets and financial liabilities at the end of the reporting period approximate their fair values.

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

27. Financial instruments (continued)

(c) Fair value (continued)

	Level 1	Level 2	Level 3	Total
	US$	US$	US$	US$
2026				
Financial assets measured at fair value				
Investment Property	-	-	**5,158,441**	**5,158,441**
Foreign currency forward contracts	-	**5,532**	-	**5,532**
2025				
Financial assets measured at fair value				
Investment Property	-	-	3,011,911	3,011,911
Foreign currency forward contracts	-	4,041,538	-	4,041,538

28. Financial risk management

The financial risk management policies are discussed by Management of the Group on a regular basis to ensure that these are in line with the overall business strategies and its risk management philosophy. Management sets policies which seek to minimise potential adverse effects of financial performance of the Group. Management provides necessary guidance/instructions to the employees covering specific areas, such as market risk (foreign exchange and interest rate risk) credit risk and liquidity risk.

The Group's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

(a) Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

The carrying amounts of the Group's foreign currency other than Arab Emirates Dirhams and Saudi Riyal, being pegged to United States Dollar, denominated monetary assets and liabilities at the reporting date are as follows:

	Assets		**Liabilities**	
	2026	2025	**2026**	2025
	US$	US$	**US$**	US$
Turkish Lira	**61,533,625**	206,196,922	**34,910,382**	197,179,543
Kuwaiti Dinar	**21,240,158**	10,304,248	**1,532,113**	786,510
Egyptian Pound	**5,450,130**	-	**-94,969**	142,979
Moroccan Dirham	**-1,822**	7,715	**8,438**	-
Nigerian Naira	**219,523**	196,721	**12,389**	-
West African CFA Franc	**3,260,532**	5,357,983	**88,334**	47,430
Kenyan Shilling	**4,724,904**	10,411,468	**3,040,336**	7,632,788
Uganda Shilling	**45,205**	300,293	**-210,211**	42,829
Tanzanian Shillings	**212,820**	1,309,267	**-23,493**	27,956
Euro	**4,659,911**	5,295,824	**2,069,513**	1,787,911
Indian Rupees	**108,503**	127,541	**964**	2,500
Ghanaian Cedi	**22,399**	62,331	**-262,906**	2,730
South African Rand	**2,385,018**	1,279,153	**7,006**	33,921
Rwandan Franc	**825,731**	523,365	**218,864**	40,054

(b) Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 10% increase and decrease in the US$ against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates, except for Turkish Lira in which 40% sensitivity rate is applied. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the US$ strengthens 10% against the relevant currency. For a 10% weakening of the US$ against the relevant currency, there would be an equal and opposite impact on the profit and other equity.

28. Financial risk management (continued)

(b) Foreign currency sensitivity analysis (continued)

	2026	2025
	US$	US$
(Loss)/Profit		
Turkish Lira	**(10,649,297)**	(3,606,952)
Kuwaiti Dinar	**(1,970,805)**	(951,774)
Egyptian Pound	**(554,510)**	14,298
Moroccan Dirham	**1,026**	(772)
Nigerian Naira	**(20,713)**	(19,672)
West African CFA Franc	**(317,220)**	(531,055)
Kenyan Shilling	**(168,457)**	(277,868)
Uganda Shilling	**(25,542)**	(25,746)
Tanzanian Shilling	**(23,631)**	(128,131)
Euro	**(259,040)**	(350,791)
Indian Rupees	**(10,754)**	(12,504)
Ghanaian Cedi	**(28,530)**	(5,960)
South African Rand	**(237,801)**	(124,523)
Rwandan Franc	**(60,687)**	(48,331)

(c) Interest rate risk management

The Group is exposed to interest rate risk as the Group borrows funds at floating interest rates. The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non- derivative instruments at the reporting date. The analysis is prepared assuming the amount of assets/liabilities outstanding at the reporting date was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 31 March 2026 would decrease/increase by US$ 621,024 (2025: US$ 713,076). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

(d) Credit risk management

Credit risk arises from credit exposure to outstanding trade receivables. Management of the Group has implemented centralised procedures for credit control. Credit risk is minimised through credit insurance and a conservative credit policy. Individual counter-party limits are set in accordance with the credit policy. The Group's exposure to credit risk is continuously monitored and the aggregate value of transactions concluded is spread amongst counter-parties. Credit exposure is controlled by counter-party limits that are reviewed and approved by the management regularly. Due to the risk on transactions in the countries in which the Group operates, management will, based on past experience and level of risk associated with these transactions, make a provision for losses on such transactions should they consider it necessary.

Trade receivables consist of a large number of customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of trade receivables.

The Group does not have any significant credit risk exposure to any single counterparty or any company of the counterparty having similar characteristics. The Group defines counterparties as having similar characteristics if they are related entities. Concentration of credit risk did not exceed 10% of gross monetary assets at any time during the year. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Further details of credit risk on trade receivables are discussed in Note 12 to the consolidated financial statements.

The Group, on occasion, makes advanced payments to suppliers in order to avail settlement discounts, which would be earlier than the date of receipt of goods and prior to recording the purchase and liability. On occasion, the Group would also settle supplier liabilities earlier than the agreed credit period in order to avail settlement discounts.

The Group's current credit risk grading framework comprises the following categories:

Category	***Description***	***Basis for recognising expected credit losses***
Performing	The counterparty has a low risk of default and does not have any past due amounts	Lifetime ECL - not credit- impaired
Doubtful	Amount is >90 days past due or there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit- impaired
In default	Amount is >180 days past due or there is evidence indicating the asset is credit-impaired	Lifetime ECL - credit- impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

28. Financial risk management (continued)

(e) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and financial liabilities.

All of the Group's financial assets and financial liabilities are due to be settled within one year from the reporting date, except for lease liabilities as follows:

	Average interest rate	Less than 1 year	More than 1 year but less than 5 years	More than 5 years	Total
	%	US$	US$	US$	US$
2026					
Financial liabilities					
Interest-bearing instruments	**9.15%**	**124,204,858**	**4,826,709**	**-**	**129,031,568**
Non-interest bearing instruments	**-**	**877,380,837**	**-**	**-**	**877,380,836**
Derivative financial liabilities	**-**	**36,032**	**-**		**36,032**
		1,001,621,727	**4,826,709**	**-**	**1,006,448,436**
2025					
Financial liabilities					
Interest-bearing instruments	9.56%	145,023,737	5,181,283	-	150,205,020
Non-interest bearing instruments	-	833,938,712		-	833,938,712
		978,962,449	5,181,283	-	984,143,732

29. Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholder through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from the previous year.

The capital structure of the Group consists of debt, which includes the bank borrowings disclosed in Note 19, cash and cash equivalents, and other financial assets as disclosed in Notes 14 and 13, respectively and total equity of the Group comprising issued capital, reserves, retained earnings and non-controlling interests as disclosed in the consolidated statement of changes in equity.

Gearing ratio

The Group's risk management reviews the capital structure on a semi-annual basis. As part of this review, management considers the cost of capital and the risks associated with each class of capital. The Group targets an optimum gearing ratio of 85% determined as the proportion of gross debt to equity.

The gearing ratio at the year-end was as follows:

	2026	2025
	US$	US$
Debt	**124,204,858**	142,615,288
Cash and cash equivalents and other financial assets	**(88,674,608)**	(128,166,449)
Net debt	**35,530,250**	14,448,839
Equity	**548,497,216**	565,860,174
Net debt to equity ratio	**0.06:1**	0.03:1

30. Contingencies

	2026	2025
	US$	US$
Letters of guarantee	**2,528,867**	1,152,437

31. Dividends

(a) During the year ended 31 March 2026, the Company declared dividends to its shareholder amounting to US$ 34,000,000 at US$ 1.23 per share (2025: US$ 51,757,885 at US$ 1.87 per share).

(b) During the year ended 31 March 2026 and 31 March 2025, Arena Bilgisayar Sanayi ve Ticaret A.S. has not declared dividends to its shareholders.

32. Approval of consolidated financial statements

The consolidated financial statements for the year ended 31 March 2026 were approved and signed by the Directors on 13 May 2026.