GK Exim FZE W.L.L.
Sanabis - Kingdom of Bahrain
Auditors' report and financial statements
For the year ended March 31, 2025

Private & Confidential

GK Exim FZE W.L.L.

Sanabis - Kingdom of Bahrain

Auditors' report and financial statements for the year ended March 31, 2025

Table of contents

Principal office address	:	Shop/Flat no. 1806, Building no. 470, Road/Street no. 1010, Block no. 410, Sanabis - Kingdom of Bahrain		
The Directors	:	Name		Nationality
		Raju Pillai		Indian
		Subramaniam Venkatraman Iyer		Indian
The Shareholder	:	Name	Ownership	Nationality
		Sakuma Exim DMCC	100%	Emarati
The Authorized Signatories	:	Name		Nationality
		Raju Pillai		Indian
		Subramaniam Venkatraman Iyer		Indian
The Auditor	:	Millenial Auditing Office no.801, Building no. 964, Road/Street no. 3620, Block no.436 Al Seef - Kingdom of Bahrain		
Banker	:	Bank of Bahrain and Kuwait		

MILLENIAL AUDITING

GK Exim FZE W.L.L.

Sanabis - Kingdom of Bahrain

Director's report

ANNUAL REPORT 2025

The Entity

Director's report

Independent Auditors' report

Statement of financial position

Statement of comprehensive income

Statement of changes in shareholder equity

Statement of cashflows

Notes to financial statement

The directors have pleasure in presenting their report and the audited financial statements for the year ended March 31, 2025.

Principal activities of the Entity:

The principal activities of the entity consist of goods re-export and other logistics value add services.

Financial insights:

The financial highlights of GK Exim FZE W.L.L. for the year ended March 31, 2025, are set out on pages 6 to 23.

Financial insights	2025	2024
(Loss) for the year	(715)	(1,452)
Total assets	16,526	16,526
Total equity	9,977	10,692

Role of the Director:

The directors is the Entity's principal decision-making forum. The director has the overall responsibility for leading and supervising the Entity and is accountable to shareholders for delivering sustainable shareholder value through their guidance and supervision of the Entity's business. The director sets the strategies and policies of the Entity. They monitor performance of the Entity's business, guides and supervises its management.

Auditors:

Millenial Auditing, Bahrain is willing to continue in office and a resolution to re-appoint them will be proposed in the Annual General Meeting.

Statement of Director's responsibilities:

The applicable requirements, requires the director to prepare the financial statements for each financial year which presents fairly in all material respects, the financial position of the Entity and its financial performance for the year then ended.

The audited financial statements for the year under review, have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The director confirms that sufficient care has been taken for the maintenance of proper and adequate accounting records. The director also confirms that appropriate accounting policies have been selected and applied consistently in order that the financial statements reflect fairly the form and substance of the transactions carried out during the year under review and reasonably present the Entity's financial conditions and results of its operations.

Acknowledgements

The directors wish to place on record their sincere gratitude for the continuous support extended by various government departments, banks, customers, suppliers, employees and all well wishers.

Raju Pillai
Director
May 25, 2025

Subramaniam Venkatraman Iyer
Director

Independent Auditor's Report
To the shareholder of GK Exim FZE W.L.L.
Sanabis - Kingdom of Bahrain
Report on Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **GK Exim FZE W.L.L.** which comprise the statement of financial position as at **March 31, 2025** and the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at **March 31, 2024** its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statement section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Management is responsible for the other information. The other information obtained at the date of this auditors' report is the report of the board of owners set out on page 2, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of **GK Exim FZE W.L.L.** in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") and the ethical requirements that are relevant to our audit of the financial statements in the Kingdom of Bahrain. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Responsibilities of the management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Office 801, Amani Tower, Bldg 964, Road 3620
Block 436, Seef District, Manama - Kingdom of Bahrain
+973 34486873 / 33535309 +973 7708 6873
bdm@millenialaudit.com
www.millenialaudit.com

MILLENIAL AUDITING
HISTORY. REPUTATION. FUTURE.

Independent Auditor's Report (Continued)

Responsibilities of the management and those charged with governance for the financial statements (continued)

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

Management are responsible for overseeing the entity's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the 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 ISAs 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 expected to influence the economic decisions of users taken on the basis of these financial statements.

As a part of Audit in accordance with the ISA's, we exercise professional judgement and maintain professional skeptics throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. 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 Entity's internal controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. 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 Entity'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 disclosures 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 Entity to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

Office 801, Amani Tower, Bldg 964, Road 3620
Block 436, Seef District, Manama - Kingdom of Bahrain
+973 34486873 / 33535309 +973 7708 6873
bdm@millenialaudit.com
www.millenialaudit.com

Independent Auditor's Report (Continued)

Report on Anti-Money Laundering and Terrorism Financing Requirements

To the best of our knowledge, information and explanations provided to us, we report that;

1. Entity does not maintain proper internal control systems and procedures to monitor and report suspicious or unusual operations or attempt to deal with them.
2. Entity does not have adequate internal regulations and procedures to verify the identity of its customers.
3. The Entity has not reported any suspicious transactions during the year ended March 31, 2025.
4. As at the financial year ended March 31, 2025, except for the above, we are not aware of any violations to the Ministerial Order No. 103 of 2021 regarding the concerning obligations related to the procedures of the prohibition of and combating money laundering and terrorism finance in the business of the persons registered in the commercial register and the audit registry in the Kingdom of Bahrain.

Report on other legal and regulatory requirements

As required by the **Commercial Company Law Bahrain**, we further confirm that,

1. Except for the matters mentioned under basis for qualification of opinion, we have obtained all the information and explanations necessary for our audit;
2. The financial information included in the director's report is consistent with the books of account;
3. We are not aware of any contraventions during the year of the above mentioned law or the Entity's Articles of Association; which may have material effect on the financial position of the Entity or the result of its operations for the year.

Poojan Goyal
Managing Partner
Registration No. 240
Bahrain
May 25, 2025

MILLENIAL AUDITING
HISTORY. REPUTATION. FUTURE.

Office 801, Amani Tower, Bldg 964, Road 3620
Block 436, Seef District, Manama - Kingdom of Bahrain
+973 34486873 / 33535309 +973 7708 6873
bdm@millenialaudit.com
www.millenialaudit.com

Statement of financial position as at March 31, 2025

(In Bahraini Dinar)

Particulars	Note	2025	2024
ASSETS			
Current assets			
Due from related party	5	**14,159**	14,159
Cash and cash equivalents	6	**2,367**	2,367
Total current assets		**16,526**	16,526
TOTAL ASSETS		**16,526**	16,526
EQUITY AND LIABILITIES			
Capital & reserves			
Share capital	7	**20,000**	20,000
Accumulated (losses)	8	**(10,023)**	(9,308)
Total equity		**9,977**	10,692
Current liabilities			
Accounts and other payables	9	**6,549**	5,834
Total current liabilities		**6,549**	5,834
Total liabilities		**6,549**	5,834
TOTAL EQUITY AND LIABILITIES		**16,526**	16,526

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

The report of the auditors is set out on page 3, 4 and 5.

The financial statements on pages 6 to 23 were approved on May 25, 2025 and signed on behalf of the Entity, by:

Raju Pillai
Director

Subramaniam Venkatraman Iyer
Director

GK Exim FZE W.L.L.
Sanabis - Kingdom of Bahrain
Statement of comprehensive income for the year ending March 31, 2025
(In Bahraini Dinar)

ANNUAL REPORT 2025

Particulars	Note	2025	2024
Operating expenses	10	**(715)**	(1,452)
(Loss) for the year		**(715)**	(1,452)
Other comprehensive income		-	-
Total comprehensive (loss) for the year		**(715)**	(1,452)

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

The report of the auditors is set out on page 3, 4 and 5.

The financial statements on pages 6 to 23 were approved on May 25, 2025 and signed on behalf of the Entity, by:

Raju Pillai
Director

Subramaniam Venkatraman Iyer
Director

GK Exim FZE W.L.L.

Sanabis - Kingdom Of Bahrain

Statement of changes in Shareholder equity for the year ended March 31, 2025

(In Bahraini Dinar)

Particulars	Share capital	Accumulated (losses)	Total equity
As at April 01, 2023	20,000	(7,856)	12,144
Comprehensive (loss) for the year	-	(1,452)	(1,452)
As at March 31, 2024	20,000	(9,308)	10,692
Comprehensive (loss) for the year	-	(715)	(715)
As at March 31, 2025	**20,000**	**(10,023)**	**9,977**

The accompanying notes form an integral part of these financial statements.
The report of the auditors is set out on page 3, 4 and 5.

Raju Pillai
Director

Subramaniam Venkatraman Iyer
Director

GK Exim FZE W.L.L.

Sanabis - Kingdom Of Bahrain

Statement of cash flows for the year ended March 31, 2025

(In Bahraini Dinar)

ANNUAL REPORT 2025

The Entity

Director's report

Independent Auditors' report

Statement of financial position

Statement of comprehensive income

Statement of changes in shareholder's equity

Statement of cashflows

Notes to financial statement

	2025	2024
Cash flows from operating activities		
Net (loss) for the year	**(715)**	(1,452)
Funds (used in) from operations	**(715)**	(1,452)
Change in working capital		
Other payables	**715**	1,452
Cash generated from working capital	715	1,452
Net cash (used in)/generated from operating activities	-	-
Net (decrease)/increase in cash and cash equivalents	-	-
Cash and cash equivalents, beginning of the year	**2,367**	2,367
Cash and cash equivalents, end of the year	**2,367**	2,367
Represented by:		
Cash at bank	**2,367**	2,367
	2,367	2,367

The accompanying notes form an integral part of these financial statements.
The report of the auditors is set out on page 3, 4 and 5.

MILLENIAL AUDITING
HISTORY. REPUTATION. FUTURE.

1 Legal status and business activities

1.1 GK Exim FZE W.L.L. (the "Entity") was registered on October 17, 2019 as with limited liability compay and operates in Kingdom of Bahrain under a commercial registration number 134167-1 issued by Ministry of Industry and Commerce.

1.2 The Entity is licensed by the Government of Bahrain fo goods re-export and other logistics value add services.

1.3 The registered office of the Entity is located at Sanabis - Kingdom of Bahrain.

2 Basis of preparation

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards issued by International Accounting Standards Board (IASB) and applicable requirements of the Kingdom of Bahrain.

2.2 Functional & Presentation Currency

The financial statements are presented in Bahraini Dinars ("BHD") which is also the functional and presentation currency of the Company. All financial information is presented in BD has been rounded off to the nearest Bahraini Dinar.

2.3 Basis of Measurement and Accounting & Coverage

The financial statements have been prepared on Historical Cost Convention except in respect of those financial instruments, which are presented at their fair values and properly disclosed elsewhere in the report. These financial statements have been prepared under going concern assumption.

The Entity follows the accrual basis of accounting, except for the statement of cash flows which is presented on cash basis. Under accrual basis, the transactions and events are recognized as and when they occur and are recorded in financial statements for the period to which they relate to.

The financial statements enclosed covers the year from April 01, 2024 to March 31, 2025.

3 Improvement/amendments to IFRS/IAS

Amendments to IFRS Accounting Standards contain numerous amendments to IFRS Accounting Standards that the IASB considers non-urgent but necessary. The "Improvements to IFRS Accounting Standards" refer to amendments that result in changes to the presentation, recognition, or measurement of financial transactions, as well as adjustments to terminology or editorial elements within various individual IFRS Accounting Standards. These amendments will be effective for the Company's future accounting periods.

The following new standard, amendment to existing standard, or interpretation to published standard is mandatory for the first time for the financial year beginning 1 January 2023 and has been adopted in the preparation of these financial statements:

IAS 1 Presentation of financial statements

In February 2021, the International Accounting Standards Board ("IASB") issued amendments to IAS 1, which change the disclosure requirements from 'significant accounting policies' to 'material accounting policy information.' The amendments provide guidance on when accounting policy information is likely to be considered material.

The amendments to IAS 1 are effective for annual reporting periods beginning on or after 1 January 2023, with earlier application permitted. The Company has applied these amendments and disclosed the impact in Note 3 to the financial statements. Other than that, these amendments have no effect on the measurement or presentation of any items in the financial statements of the Company.

3 Improvement/amendments to IFRS/IAS (continued)

IAS 8 Accounting policies, changes in accounting estimates and errors

In February 2021, the International Accounting Standards Board ("IASB") issued amendments to IAS 8, which added the definition of Accounting Estimates in IAS 8. Indeed, the amendments clarify that the effects of changes in inputs or measurement techniques should generally be treated as changes in accounting estimates. However, if these changes arise from the correction of prior period errors, they should not be considered as changes in estimates. Instead, they would be classified as corrections of errors in the financial statements for the relevant prior periods.

The Company has adopted the amendments of IAS 8 and had no significant impact on the separate financial statements.

Standard or interpretation	Title	Effective for annual periods beginning on
IAS 1	Presentation of financial statements	January 01, 2023
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	January 01, 2023

Standards, amendments and interpretations issued and effective during the year but not relevant

The following new amendments to existing IFRS accounting standards and interpretations to published standards are mandatory for accounting periods beginning on or after 1 January 2023 or subsequent periods, but is not relevant to the Company's operations:

Standard or interpretation	Title	Effective for annual periods beginning on
IFRS 17	Insurance contracts	January 01, 2024
IAS 1	Presentation of financial statements	January 01, 2024
IAS 7	Statement of Cash Flows	January 01, 2024
IFRS 7	Financial Instruments: Disclosures	January 01, 2024
IFRS 16	Leases	January 01, 2024

Standards, amendments and interpretations issued but not yet effective during the year

The following new/amended IFRS accounting standards and interpretations have been issued but are not mandatory for the financial year ended. They have not been adopted in preparing the financial statements for the year and will or may have an effect on the entity's future financial statements. In all cases, the entity intends to apply these standards from the application date as indicated in the table below:

Standard or interpretation	Title	Effective for annual periods beginning on
IAS 21	The Effects of Changes in Foreign Exchange Rates	January 01, 2025

Early adoption of amendments or standards during the year

The Company did not early-adopt any new or amended standards during the year. There would have been no change in the operational results of the Company for the year ended 31 March 2024 had the Company early adopted any of the above standards applicable to the Company.

4 Summary of material accounting policy information

The following accounting policies have been consistently applied by the management in preparation of the financial statements, except where stated here under:

4.1 Going Concern Assumptions

The directors have, at the time of approving the financial statements, a reasonable expectation that the Entity have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

4.2 Property, plant & equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of property, plant and equipment includes the cost of bringing them to their present location and condition. The cost of replacing part of an item of property, plant and equipment is recognised in carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. All other cost are recognised in the statement of profit or loss and other comprehensive income as expenditure incurred.

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of property, plant and equipment. In the case of right-of-use assets, expected useful lives are determined by reference to comparable owned assets or the lease term, if shorter.

Gains and losses are determined by comparing proceeds with the asset's carrying amount. These are recognized under 'other income or expense' in the statement of comprehensive income.

If there is an indication that there has been a significant change in depreciation rate, estimated useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

4.3 Cash and cash equivalents

For the purpose of statement of cash flow, cash and cash equivalents comprise of cash in hand and bank balance.

4.4 Impairment of financial assets

IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses -the expected credit loss ("ECL") model. Instruments within the scope include financial assets measured at amortised cost, such as trade receivables measured under IFRS 15. The Company considers broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

4 Material accounting policies (continued)

4.4 Impairment of financial assets (continued)

In applying this forward-looking approach, a distinction is made between:

• Financial assets that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ("Stage 1");

• Financial assets that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ("Stage 2"); and

• Financial assets that have objective evidence of impairment at the reporting date ("Stage 3").

"12-month expected credit losses" are recognised for the first category while "lifetime expected credit losses" are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

4.5 Impairment of non-financial assets

The Company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the cash generating unit to which the asset belongs is used.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining fair value less costs to sell, an appropriate valuation model is used.

4.6 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

a) The Entity as a Lessee

Short term lease

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that is considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term in the statement of profit or loss and other comprehensive income.

4.7 Employees' terminal benefits

Employees' terminal benefits and entitlements to annual leave, holiday, air passage and other short-term benefits are recognized as they accrue to the employees. The Company contributes to the pension scheme for Bahraini nationals administered by the Social Insurance Organization in the Kingdom of Bahrain. The Company's share of contribution to this funded scheme which is defined contribution scheme under IAS-19 - Employee benefits, is recognised as an expense in the statement of profit or loss and other comprehensive income.

4 Summary of material accounting policies (continued)

4.7 Employees' terminal benefits (continued)

The expatriate employees of the Company are paid leaving indemnity in accordance with the provisions of the Bahrain Labour Laws for private sector 2012, based on length of service and final salary. Provision for this, which is unfunded and which represent a defined benefit plan under IAS-19 has been made by calculating the notional liability had all employees left at the reporting date. The provision is classified as a non-current liability in the statement of financial position.

4.8 Shareholders' current account

Transactions with the shareholders are included in shareholders' account and are treated as part of equity in these financial statements.

4.9 Foreign Currencies

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically;

(i) For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss;

(ii) For debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss. Other exchange differences are recognised in other comprehensive income in the investment revaluation reserve;

(iii) For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss; and

(iv) For equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the investment revaluation reserve.

4.10 Provisions & Contingencies

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When 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, a receivable is recognized as an asset if it is certain that reimbursement will be received and the amount of the receivable can be measured reliably.

4.11 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events, not wholly within the control of the Company; or when the Company has a present legal or constructive obligation, that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

4 Material accounting policy information (continued)

4.12 IFRS 15 Revenue from Contracts with Customers

To determine whether to recognise revenue, the Company follows a 5-step process:

i. Identifying the contract with a customer
ii. Identifying the performance obligations
iii. Determining the transaction price
iv. Allocating the transaction price to the performance obligations
v. Recognising revenue when performance obligation(s) are satisfied

The entity recognises revenue to depict the transfer of promised services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is recognised when the entity satisfy all the obligations related to providing service to the customer, which was taken at point in time at which the customer availed the benefit of services provided and the related risks and rewards of service is transferred, revenue was recognised at that point provided that the revenue and cost could be measured reliably, the recovery of the consideration was probable and there was no continuing managerial involvement with the service provided.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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, excluding taxes or duties less discounts.

4.13 Expenditure

Expenses are accounted for on the accrual basis and provisions are made for all known losses and liabilities. Cost of revenue includes all the purchases and other direct costs directly attributable to the goods. Expenses are presented in the statement of comprehensive income, classified according to the function of expense i.e. selling and distribution or administrative expense.

4.14 Value added tax (VAT)

Expenses, and assets are recognized net of the amount of VAT, except:

When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable: and/or

When receivables and payables, amounts are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

4.15 Use of Estimates & Judgements

The preparation of financial statements, in conformity with IFRS, requires management to make estimates, judgements and assumptions that affect the application of policies and reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future period affected & same are mentioned under respective accounting policy note. The following accounting estimates and management judgements have been considered, which are material in nature, in preparation of financial statements.

ANNUAL REPORT 2025

The Entity

Director's report

Independent Auditors' report

Statement of financial position

Statement of comprehensive income

Statement of changes in shareholder's equity

Statement of cashflows

Notes to financial statement

4 Material accounting policy information (continued)

4.15 Use of Estimates & Judgements (continued)

(a) Useful life of property, plant & equipment:

Entity's management estimates the useful life of property, plant & equipment and residual value for calculating depreciation. It reviews the estimated life & residual value on annual basis & future depreciation expense would be adjusted where the management believes that useful life differs from the previous estimates.

(b) Provision for expected credit losses of accounts receivables:

The Company establishes provision for impairment on accounts receivable based on expected credit losses (ECL) model. The Company uses a simplified approach as allowed by the standard to determine impairment of accounts receivable.

4.16 Revenue Recognition

Revenue recognition for sale of services

The Entity provides a service of construction of building.

Such services are recognised as a performance obligation satisfied over time. Revenue is recognised for these services based on the stage of completion of the contract. The directors have assessed that the stage of completion determined as the proportion of the total time expected complete satisfaction of these performance obligations under IFRS 15 Revenue from Contracts with Customers. Payment for services is not due from the customer until the services are complete and therefore a asset is recognised over the period in which the services are performed representing the Entity's right to consideration for the services performed to date.

4.17 IFRS 9 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires. These instruments are accounted as basic financial instrument.

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable). Financial assets, other than those designated and effective as hedging instruments, are classified intc the following categories:

• Amortised cost
• Fair value through profit or loss ("FVTPL")
• Fair value through other comprehensive income ("FVTOCI").

The above classification is determined by both:

i. The Company's business model for managing the financial asset
ii. The contractual cash flow characteristics of the financial asset.

4 Material accounting policy information (continued)

4.17 IFRS 9 Financial Instruments (continued)

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

• They are held within a business model whose objective is to hold the financial assets and collect their contractual cash flows

• The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. The Company's cash and cash equivalents, convertible notes receivable, other receivables except (prepayments and advances) and investments in debt and equity instruments-held for trading fall into this category of financial instruments.

a) Cash & cash equivalents:

Cash and cash equivalents comprise of balance with bank in current account.

b) Account receivables:

Account receivables are due from customers in ordinary course of business. They are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. Where there is objective evidence of amounts that are not collectible, a provision is made for the difference between the carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate.

Receivables are recognised when the goods are sold to the customers and all the obligations related to the transfer of title goods are fulfilled by us. During the period, no impairment losses or provisions are observed.

c) Account payables:

Payables are recognised when there is an obligation to the entity to make payment for the service received, provided the supplier has fulfilled all the conditions related to provision of services.

d) Other financial assets:

Other financial assets are recognised when the Entity has right to receive the payment and they have a value on realization in the ordinary course of Entity's business, which is at least equal to the amount at which they are stated in the statement of financial position.

e) Other financial liability:

Other financial labilities include borrowings if any, are initially measured at transaction value, net of transaction cost. These are subsequently measured at amortised cost using effective interest method.

4 Material accounting policy information (continued)

4.17 IFRS 9 Financial Instruments (continued)

Derecognition of financial assets & financial liability

Financial assets are derecognised only when the contractual rights to the cash flows expire or substantially all the risks and rewards of ownership are transferred along with the contractual rights to receive cash flows. Financial liabilities are derecognised only when they are extinguished i.e. when the obligations specified in the contract are discharged or cancelled or expire.

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

	2025	2024

5 Related party transactions

The Entity enters into transactions with other entities that fall within the definition of a related party as contained in IAS 24, related party disclosures. Such transactions are in the normal course of business and at terms that correspond to those on normal arms-length transactions (except revenue related transactions) with third party. Related party comprise entities under common ownership and/or common management and control; their partners and key management personnel.

The Entity believes that the terms of such transactions are not significantly different from those that could have been obtained from third party.

Due from related party	Relationship		
Sakuma Exim DMCC	Holding Company	**14,159**	14,159
		14,159	14,159

Note: The above loan shown under "due from related party" is an interest-free unsecured loan with no fixed terms of repayment.

6 Cash and cash equivalents

Cash at bank	**2,367**	2,367
	2,367	2,367

7 Share capital

Authorised, issued and paid up capital of the Entity is BHD 20,000 divided into 400 shares of BHD 50 each fully paid up. The details of the shareholding as at reporting date are as follows:

Name	Percentage	No's	2025	2024
Sakuma Exim DMCC	100%	400	**20,000**	20,000
	100%	**400**	**20,000**	20,000

8 Accumulated (losses)

Balance at the beginning of the year	**(9,308)**	(7,856)
Comprehensive (loss) for the year	**(715)**	(1,452)
Balance at the end of the year	**(10,023)**	(9,308)

MILLENIAL AUDITING

	2025	2024
9 Accounts and other payables		
Accounts payable	**1,580**	1,580
Accruals and other payables	**4,969**	4,254
	6,549	5,834
10 Operating expenses		
Legal, visa, professional and related expenses	**715**	1,452
	715	1,452

11 Financial instruments

a) Significant accounting policies

Details of the significant 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 financial statements.

b) Categories of financial instruments

	As at March 31, 2025	2024
Financial assets at amortised cost		
Due from related party	**14,159**	14,159
Cash and cash equivalents	**2,367**	2,367
	16,526	16,526
Financial liabilities at amortised cost		
Accounts and other payables	**6,549**	5,834
	6,549	5,834

c) Fair values of financial instruments

Financial instruments comprise of financial assets and financial liabilities.

Financial assets consist of cash and bank balances, due from related party and certain other assets. Financial liabilities consist of accounts and other payables and certain other liabilities.

The fair values of financial assets and liabilities are not materially different from their carrying values as at the reporting date.

12 Financial risk management objectives

The Entity management set out the Entity's overall business strategies and its risk management philosophy. The Entity's overall financial risk management program seeks to minimize potential adverse effects on the financial performance of the Entity. The Entity policies include financial risk management policies covering specific areas, such as market risk (including foreign exchange risk, interest rate risk), liquidity risk and credit risk. Periodic reviews are undertaken to ensure that the Entity's policy guidelines are complied with.

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

The Entity is exposed to the following risks related to financial instruments. The Entity has not framed formal risk management policies, however, the risks are monitored by management on a continuous basis. The Entity does not enter into or trade in financial instruments, investment in securities, including derivative financial instruments, for speculative or risk management purposes.

a) Foreign currency risk management

The Entity does not have any significant exposure to currency risk, as most of its assets and liabilities are denominated in Bahraini Dinar BHD and Dinar to USD conversion is pegged.

12 Financial risk management objectives (continued)

b) Liquidity risk management

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

The table below summarises the maturity profile of the Entity's financial assets. The contractual maturities of the financial assets have been determined on the basis of the remaining period at the financial position date to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity were maintained. The maturity profile of the assets and liabilities at the financial position date based on contractual repayment arrangements were also show on the following table.

Particulars	Interest bearing		Non Interest bearing			Total
	Within 1 year	More than 1 year	On demand or less than 3 months	Within 1 year	More than 1 year	
	As at March 31, 2025					
Financial assets						
Due from related party	-	-	-	14,159	-	14,159
Cash and cash equivalents	-	-	2,367	-	-	2,367
Total	-	-	**2,367**	**14,159**	-	**16,526**
Financial liabilities						
Accounts and other payables	-	-	-	6,549	-	6,549
Total	-	-	-	**6,549**	-	**6,549**

Particulars	Interest bearing		Non Interest bearing			Total
	Within 1 year	More than 1 year	On demand or less than 3 months	Within 1 year	More than 1 year	
	As at March 31, 2024					
Financial assets						
Due from related party	-	-	-	14,159	-	14,159
Cash and cash equivalents	-	-	2,367	-	-	2,367
Total	-	-	2,367	14,159	-	16,526
Financial liabilities						
Accounts and other payables	-	-	-	5,834	-	5,834
Total	-	-	-	5,834	-	5,834

12 Financial risk management objectives (continued)

c) Credit risk management

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Entity. The Entity has adopted a policy of only dealing with creditworthy counterparties. The Entity uses its own trading records to rate its existing customers and increase their credits limits. The Entity's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management regularly and the Entity maintains an allowance for doubtful debts based on expected collectability of all trade receivables.

The Entity does not have significant credit risk exposure to a single counterparty or any group of counter parties having similar characteristics. The Entity defines counterparties as having similar characteristics if they are related entities.

The carrying amounts of the financial assets recorded in the financial statements, which is net of impairment losses, represents the Entity's maximum exposure to credit risks.

13 Capital risk management

The Entity manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the equity balance. The Entity's overall strategy remains unchanged from prior year.

The capital structure of the Entity consists of cash and cash equivalents and equity comprising issued capital, reserves and retained earnings as disclosed in the financial statements.