Sakuma Exim DMCC
Dubai - United Arab Emirates

Auditors' report and financial statements

For the year ended March 31, 2025

Private & Confidential

Sakuma Exim DMCC
Dubai - United Arab Emirates
Auditors' report and financial statements for the year ended March 31, 2025
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Sakuma Exim DMCC
Dubai - United Arab Emirates
The Entity

Principal office address	:	Unit No. 2208 DMCC Busniess Centre, Level No. 1 Jewellery & Gemplex 3 Dubai, United Arab Emirates.	
The Manager	:	Name Mr. Subramaniam Venkatraman Iyer	<u>Nationality</u> Indian
The Shareholder	:	Name M/s Sakuma Exports Ltd.	<u>Nationality</u> Indian Co.
The Auditor	:	M Al Ali Auditing P O Box . 171492 Dubai, United Arab Emirates	
The Main Banks	:	National Bank of Fujairah (NBF) Mashreq Bank	

M AL ALI AUDITING

Sakuma Exim DMCC

Dubai - United Arab Emirates

Directors Report

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 Entity is licensed by the Dubai Multi Commodities Centre for Trading in Foodstuff and Beverages, Agricultural Commodities, Sugar & Petrochemicals.

Financial review:

The table below summarized results of 2025 and 2024.

	2025	2024
	AED	AED
Revenue	**51,208,205**	84,001,102
Direct cost	**(50,608,206)**	(75,465,449)
Gross profit	**599,999**	8,535,653
Gross profit margin	**1.17%**	10.16%
Net profit for the year	**547,335**	9,161,084
Net profit margin	**1.07%**	10.91%

Role of the Directors:

The Directors are the Entity's principal decision-making forum. Directors have 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 Directors sets the strategies and policies of the Entity. They monitor performance of the Entity's business, guides and supervises its management.

Risk management and internal control systems:

The Entity is committed to the ongoing process of identifying risk factors, analysing the risks, and deciding upon measures of risk handling and risk control, with a view to achieving sustainability of business operations, employment and surpluses. The Entity's risk management framework identifies, assesses, manages and reports risks on a consistent and reliable basis. The Directors consider primary risk areas to be: credit risk, interest rate risk, foreign exchange and liquidity risk.

The Directors recognised their responsibilities to ensure the existence of the system of internal control and for reviewing its continued effectiveness. In view of the above, the management has in place a management information system that facilitates financial and other information being yearly reported on a transparent basis to the management and that in turn helps in initiating action to mitigate risks to the extent feasible.

Going concern:

The attached financial statements have been prepared on a going concern basis. While preparing the financial statements the management has made an assessment of the Entity's ability to continue as a going concern. The management has not come across any evidence that causes the management to believe that material uncertainties related to the events or conditions existed, which may cast significant doubt on the Entity's ability to continue as a going concern.

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Events after year end:

In the opinion of the Directors, no transaction or event of a material and unusual nature, favourable or unfavourable has arisen in the interval between the end of the financial year and the date of this report, that is likely to affect, substantially the result of the operations or the financial position of the Entity.

Auditor:

M/s. M AL ALI AUDITING, United Arab Emirates is willing to continue in office and a resolution to re-appoint them will be proposed in the Annual General Meeting.

Statement of Directors responsibilities:

The applicable requirements, requires the Directors 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 Directors confirms that sufficient care has been taken for the maintenance of proper and adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the Entity and enables them to ensure that the financial statements comply with the requirements of applicable statute. The Directors also confirm 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 wishes to place on record their sincere gratitude for the continuous support extended by various government departments, banks, customers, suppliers, employees and all well wishers.

Director
Sakuma Exim DMCC
May 23, 2025

M AL ALI AUDITING

Independent Auditor's Report

To the shareholder of Sakuma Exim DMCC
Dubai - United Arab Emirates
Report on Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the **Sakuma Exim DMCC**, Dubai 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.

Subject to notes to accounts, In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at **March 31, 2025** 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 matter

The audit of the financial statements for the year ended March 31, 2024, was conducted by another auditor, who issued an unqualified opinion in their report dated May 29, 2024.

Independence

We are independent of **Sakuma Exim DMCC**, Dubai 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 United Arab Emirates. 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.

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.

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Independent Auditor's Report (Continued)

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 Entity's internal control.

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.

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Independent Auditor's Report (Continued)

Report on other legal and regulatory requirements

As required by **the provisions of the DMCC Entity Regulation No. 1/3 issued in 2003, we further confirm** that,

1. We have obtained all the information and explanations necessary for our audit;
2. 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.

For M AL ALI AUDITING

Reg No. 645
Dubai, United Arab Emirates
May 23, 2025

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Sakuma Exim DMCC
Dubai - United Arab Emirates
Statement of financial position as at March 31, 2025
(In Arab Emirates Dirham)

	Notes	2025	2024
Assets			
Non-current assets			
Property, plant and equipment	5	**25,300,000**	-
Investment	6	**195,733**	12,695,733
Total non current assets		**25,495,733**	12,695,733
Current assets			
Due from related parties	7a	**543,160**	-
Trade receivables	8	**18,664,023**	62,357,375
Advances, deposits and other receivables	9	**43,157,426**	129,107
Cash and bank balances	10	**520,305**	71,996
Total current assets		**62,884,914**	62,558,478
Total assets		**88,380,647**	75,254,211
Equity and liabilities			
Equity			
Share capital	11	**50,000**	50,000
Retained earnings	12	**75,430,416**	74,883,081
Total equity		**75,480,416**	74,933,081
Shareholder current account	13	**(197)**	(797)
Total shareholder fund		**75,480,219**	74,932,284
Current liabilities			
Due to related parties	7b	**12,613,881**	310,737
Trade and other payable	14	**286,547**	11,190
Total current liabilities		**12,900,428**	321,927
Total liabilities		**12,900,428**	321,927
Total shareholders' equity and liabilities		**88,380,647**	75,254,211

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

The report of the auditors is set out on page 4, 5 and 6.

The financial statements on pages 7 to 22 were approved on May 23, 2025 and signed on behalf of the Entity, by:

M ALALI AUDITING

Director
Sakuma Exim DMCC

Sakuma Exim DMCC
Dubai - United Arab Emirates
Statement of comprehensive income for the year ended March 31, 2025
(In Arab Emirates Dirham)

	Notes	2025	2024
Revenue	15	**51,208,205**	84,001,102
Direct cost	16	**(50,608,206)**	(75,465,449)
Gross profit		**599,999**	8,535,653
Other income	17	**288,918**	993,969
Administrative expenses	18	**(341,582)**	(368,538)
Profit for the year		**547,335**	9,161,084
Other comprehensive income		**-**	-
Total comprehensive income for the year		**547,335**	9,161,084

The accompanying notes form an integral part of these financial statements.
The report of the auditors is set out on page 4, 5 and 6.

The financial statements on pages 7 to 22 were approved on May 23, 2025 and signed on behalf of the Entity, by:

Director
Sakuma Exim DMCC

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Sakuma Exim DMCC
Dubai - United Arab Emirates
Statement of changes in shareholders' equity for the year ended March 31, 2025
(In Arab Emirates Dirham)

	Share capital	Retained earnings	Total equity
As at April 01, 2023	50,000	65,721,997	65,771,997
Comprehensive income for the year	-	9,161,084	9,161,084
As at March 31, 2024	50,000	74,883,081	74,933,081
Comprehensive income for the year	-	547,335	547,335
As at March 31, 2025	**50,000**	**75,430,416**	**75,480,416**

The accompanying notes form an integral part of these financial statements.
The report of the auditors is set out on page 4, 5 and 6.

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Sakuma Exim DMCC
Dubai - United Arab Emirates
Statement of cash flows for the year ended March 31, 2025
(In Arab Emirates Dirham)

	2025	2024
Cash flows from operating activities		
Net profit for the year	**547,335**	9,161,084
Funds generated from operations	**547,335**	9,161,084
Change in working capital		
Trade receivables	**43,693,352**	(2,364,545)
Advances, deposits and other receivables	**(43,028,319)**	13,467,434
Trade and other payable	**275,357**	(1,017,770)
Due to related parties	**12,303,144**	(20,658,960)
Cash inflow/(ouflow) from working capital	**12,700,374**	(10,573,841)
Net cash inflow/(outflow) from operating activities	**13,247,709**	(1,412,757)
Cash flows from financing activities		
Shareholder current account	**600**	(600)
Net cash inflow/(outflow) from financing activities	**600**	(600)
Net increase/(decrease) in cash and cash equivalents	**448,309**	(1,413,357)
Cash and cash equivalents, beginning of the year	**71,996**	1,485,353
Cash and cash equivalents, end of the year	**520,305**	71,996
Represented by:		
Cash in hand	**19,190**	3,641
Cash at banks	**501,115**	68,355
	520,305	71,996

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

The report of the auditors is set out on page 4, 5 and 6.

M AL ALI AUDITING

1 Legal status and business activities

1.1 Sakuma Exim DMCC Dubai – United Arab Emirates (the "Entity") was registered on January 03, 2012 as Free Zone Company and operates in the Dubai Multi Commodities Centre, United Arab Emirates under a commercial license issued by the DMCC

1.2 The Entity is licensed by the Dubai Multi Commodities Centre for Trading in Foodstuff and beverages, Agricultural commodities, Sugar & Petrochemicals.

1.3 The registered office of the Entity is located at Unit No. 2208 DMCC Busniess Centre, Level No. 1, Jewellery & Gemplex 3, Dubai, United Arab Emirates.

1.4 These financial statements incorporate the operating results of the commercial license no. DMCC 32027.

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 United Arab Emirates.

2.2 Functional & Presentation Currency

The financial statements are presented in Arab Emirates Dirham (AED) which is also the functional currency of the entity. All financial information is presented in AED has been rounded off to the nearest Dirham.

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 Company 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 April 01, 2024 to March 31, 2025.

3 Changes in material accounting policies:

3.1 New and amended IFRS accounting standards that are effective for the current year:

a. Disclosure of Accounting Policies	The Entity has adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.
b. IFRS 17 Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)	The entity has adopted IFRS 17 and the related amendments for the first time in the current year. IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts. The entity does not have any contracts that meet the definition of an insurance contract under IFRS 17.
c. Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2	The entity has adopted the amendments to IAS 1 for the first time in the current year. The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

MALAJ AUDITING

3 Changes in material accounting policies: (continued..)

3.1 New and amended IFRS accounting standards that are effective for the current year: (continued..)

d. Amendments to IAS 1 – Classification of Liabilities as Current or Non-current	The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.
e. Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	The entity has adopted the amendments to IAS 8 for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

4 Summary of material accounting policies:

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 assumption:

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.

4.3 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.

MAL ALI AUDITING

4 Summary of material accounting policies: (continued..)

4.3 Impairment of financial assets: (continued..)

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 entity's 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.

4.4 Cash and cash equivalents:

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

4.5 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.

4.6 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. 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.

4.7 Revenue recognition:

The entity recognises revenue from Trading in Foodstuff and beverages, Agricultural commodities, Sugar & Petrochemicals.

Revenue is measured based on the consideration to which the entity expects to be entitled as determined between the entity and customers and excludes amounts collected on behalf of third parties.

4 Summary of material accounting policies: (continued..)

4.7 Revenue recognition: (continued..)

The revenue is recognized at a point in time when the goods are sold and delivered to the customer.

The transaction price is determined based on the fixed price per item as determined between the company and the customers. This price may typically include adjustments for freight, discounts, and clearing and forwarding charges. The transaction is only deemed complete once all items are fully sorted, graded, and packed, revenue could be recognized typically when the customer takes control of the goods.

4.8 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.

4.9 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.

(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.

4.10 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 derecognized 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 material 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 into 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.

a) Cash & cash equivalents:

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

AL ALI AUDITING

4 Summary of material accounting policies: (continued..)

4.10 IFRS 9 Financial instruments: (continued..)

b) Trade receivables:

Trade 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.

c) Trade payables:

Trade payables represents obligations towards venders in ordinary course of business. They are initially recognized at fair value and subsequently measured at amortized cost.

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 are initially measured at transaction value, net of transaction cost.

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.

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 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 and settle the asset or 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.

4.11 UAE corporate tax policy:

In line with the UAE Corporate Tax regime introduced under Federal Decree-Law No. 47 of 2022, effective from June 1, 2023, the entity is subject to corporate tax on taxable income. As of the date of this audit report, a provision for corporate tax has not been recognized in these financial statements. The entity decides to account for the same at the time of filing corporate tax returns.

M ALI AUDITING

5 Property, plant and equipment

The gross carrying amounts and accumulated depreciations and impairment is shown below:

	Warehouse Properties	Total
Cost		
As at March 31, 2024	-	-
Transfer from investment	12,500,000	12,500,000
Additions During the year	12,800,000	12,800,000
As at March 31, 2025	**25,300,000**	**25,300,000**
Accumulated depreciation		
As at March 31, 2024	-	-
Charge for the year	-	-
As at March 31, 2025	-	-
Carrying value as at March 31, 2025	25,300,000	25,300,000
Carrying value as at March 31, 2024	-	-

Note: As of the reporting date, the entity is in the process of obtaining and verifying certain documentation related to the warehouse properties. Further, the above warehouse properties were not in use as of March 31, 2025; therefore, the management has decided not to charge depreciation for the current year.

	2025	2024
6 Investment		
Investment in GK EXIM FZE, Bahrain (100% subsidiary)	**195,733**	195,733
Advance for warehouse (Plot # 5201, Autonome De, BP 2107, Djibouti)	-	12,500,000
	195,733	12,695,733

Note: During the year the advance for warehouse has been transferred to property plant and equipment.

7 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 with third parties. Related parties 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 parties.

a) Due from related parties

	2025	2024
Sakuma Impex Ltd, United Kingdom	**543,160**	-
	543,160	-

b) Due to related parties

	2025	2024
Sakuma Exports Limited, India #	**173,648**	173,648
Sakuma Exports Pte Ltd, Singapore	**12,303,144**	-
GK Exim Fze	**137,089**	137,089
	12,613,881	310,737

8 Trade receivables

	2025	2024
Trade receivables	**18,664,023**	62,357,375
	18,664,023	62,357,375

Note: We didn't obtain independent confirmation from trade receivables.

Note: Trade receivables are overdue as at the reporting date. However, management has assessed the balances and considers them to be recoverable. Accordingly, no provision has been made.

9 Advances, deposits and other receivables

	2025	2024
Advances to suppliers	**43,115,389**	87,595
Prepayments	**42,037**	41,512
	43,157,426	129,107

10 Cash and bank balances

	2025	2024
Cash in hand	**19,190**	3,641
Cash at banks	**501,115**	68,355
	520,305	71,996

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	2025	2024

11 Share capital

Authorized, issued and paid up capital of the Entity is AED 50,000 divided into 50 shares of AED 1,000 each fully paid up.

The details of the shareholding as at reporting date are as follows:

Name	**Percentage**	**No. of Shares**	**2025**	2024
M/s Sakuma Exports Ltd.	100%	50	**50,000**	50,000
	100%	50	**50,000**	50.000

12 Retained earnings

	2025	2024
Balance at the beginning of the year	**74,883,081**	65,721,997
Comprehensive income for the year	**547,335**	9,161,084
Balance at the end of the year	**75,430,416**	74,883,081

13 Shareholder current account

	2025	2024
Balance at the beginning of the year	**(797)**	(197)
Net movements during the year	**600**	(600)
Balance at the end of the year	**(197)**	(797)

14 Trade and other payable

	2025	2024
Trade payable	**282,347**	-
Other payables	**3,150**	9,540
Provisions	**1,050**	1,050
Vat payble	-	600
	286,547	11,190

15 Revenue

Revenue

The following sets out disaggregation of the Company's revenue from contracts with customers:

a) Types of goods or services	**2025**	2024
Income from Oil trading	**30,985,336**	16,266,311
Income from Suger trading	**20,222,869**	67,734,791
	51,208,205	84,001,102
b) Timing of satisfaction of performance obligations		
Revenue recognised at the point of time	**51,208,205**	84,001,102
	51,208,205	84,001,102
c) Customer relationship		
Third party customers	**51,208,205**	2,077,599
	51,208,205	2,077,599
d) Geographical locations		
Outside UAE	**51,208,205**	2,077,599
	51,208,205	2,077,599

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	2025	2024
16 Direct cost		
Purchases (including other direct expenses)	**50,608,206**	75,465,449
	50,608,206	75,465,449
17 Other income		
Foreign exchange gain	**288,918**	993,969
	288,918	993,969
18 Administrative expenses		
Salaries and related benefits	**156,000**	198,789
Legal, visa, professional and related expenses	**157,145**	147,614
Utilities & communication	**6,445**	6,780
Bank charges	**4,547**	9,138
Commission	**10,959**	-
Misc. expenses	**6,486**	6,217
	341,582	368,538

19 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		
Due from related parties	**543,160**	-
Trade receivables	**18,664,023**	62,357,375
Other receivables	**43,115,389**	87,595
Cash and bank balances	**520,305**	71,996
	62,842,877	62,516,966
Financial liabilities at amortised cost		
Due to related parties	**12,613,881**	310,737
Trade and other payable	**286,547**	11,190
	12,900,428	321,927

c) *Fair values of financial instruments*

Financial instruments comprise of financial assets and financial liabilities.

Financial assets consist of cash and bank balances, trade receivables, investments, due from related parties and certain other assets. Financial liabilities consist of trade payables and accruals, due to related parties, term loans, bank overdrafts 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.

20 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 UAE Dirhams and Dirham to USD conversion is pegged.

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20 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.

	Interest bearing		Non Interest bearing			
Particulars	**Within 1 year**	**More than 1 year**	**On demand or less than 3 months**	**Within 1 year**	**More than 1 year**	**Total**
			As at March 31, 2025			
Financial assets						
Due from related parties	-	-	-	543,160	-	543,160
Trade receivables	-	-	-	18,664,023	-	18,664,023
Other receivables	-	-	-	43,115,389	-	43,115,389
Cash and bank balances	-	-	520,305	-	-	520,305
	-	-	520,305	62,322,572	-	62,842,877
Financial liabilities						
Due to related parties	-	-	-	12,613,881	-	12,613,881
Trade and other payables	-	-	286,547	-	-	286,547
	-	-	286,547	12,613,881	-	12,900,428

	Interest bearing		Non Interest bearing			
Particulars	**Within 1 year**	**More than 1 year**	**On demand or less than 3 months**	**Within 1 year**	**More than 1 year**	**Total**
			As at March 31, 2024			
Financial assets						
Trade receivables	-	-	-	62,357,375	-	62,357,375
Other receivables	-	-	-	87,595	-	87,595
Cash and bank balances	-	-	71,996	-	-	71,996
	-	-	71,996	62,444,970	-	62,516,966
Financial liabilities						
Due to related parties	-	-	-	310,737	-	310,737
Trade and other payables	-	-	11,190	-	-	11,190
	-	-	11,190	310,737	-	321,927

20 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.

21 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.

22 Comparative amounts

Certain amounts for the prior year were reclassified to conform to current year presentation, however such reclassification do not have a impact on the previously reported profit or equity.

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