SHARDA INTERNATIONAL FZCO

Financial Statements

31 March 2026

Registered office:

Premises No: 5EA 424,
Fourth Floor,
Building Name: 5 East A,
Dubai Airport Freezone,
Dubai, U.A.E.

SHARDA INTERNATIONAL FZCO

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31 March 2026

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Directors' Report

The directors submit their report and accounts for the year ended 31 March 2026.

Results and dividend:

The profit after tax for the year amounted to US $ 16,233,918/-. The directors have approved payment of interim dividend amounting to US$ 14,500,000/- for the year ended 31 March 2026.

Review of the business:

The company is registered to carry out trading in rubber and industrial chemicals. During the year, the company has mainly traded in rubber items such as conveyer belts.

Events during the year

The Board remains attentive to the geopolitical tensions in the Middle East that have continued to evolve, including ongoing regional conflicts and heightened political uncertainty. These developments have increased volatility in global and regional markets and may, over time, affect transportation costs, commodity pricing and market sentiment. As at the date of approval of these financial statements, the Company continues to monitor developments in the region and will assess the impact, if any, on future periods.

Events since the end of the year

There were no significant events, which have occurred since the year-end that materially affect the company.

Shareholder and its interest:

The shareholder at 31 March 2026 and its interest as of that date in the share capital of the company was as follows:

	Incorporation	*No. of shares*	*AED*	*US $*
Sharda Cropchem Limited	India	200	1,000	54,440

Auditors

A resolution to re-appoint **KSI Shah & Associates** as auditors and fix their remuneration will be put to the board at the annual general meeting.

Mr. Ramprakash Bubna
Director

P.O. Box: 58141
Dubai - U.A.E
SHARDA INTERNATIONAL FZCO

Mr. Lavish Girish Wadhwani
Director

Dipali

Independent Auditors' Report to the Shareholder of SHARDA INTERNATIONAL FZCO

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **SHARDA INTERNATIONAL FZCO** ("the Company"), which comprises of the statement of financial position as at 31 March 2026, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and explanatory notes.

In our opinion, the financial statements present fairly, in all material respects the financial position of the company as of 31 March 2026 and its financial performance and its 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 Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the UAE, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

Other Information

Management is responsible for the other information. Other information comprises of the directors' report, which we obtained prior to the date of this auditor's report. The other information 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 on the other information that we obtained prior to the date of this auditor's report, we concluded that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control 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's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditors' Report to the Shareholder of SHARDA INTERNATIONAL FZCO

Report on the Audit of the Financial Statements (contd.)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives 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 be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- 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.
- 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent 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.

Report on Other Legal and Regulatory Requirements

We confirm that we have obtained all information and explanations necessary for our audit and that proper financial record have been maintained by the concern in accordance with the Dubai Airport Free Zone Implementing Regulations 2021 To the best of our knowledge and belief no violations of said regulations have occurred which would have had a material effect on the business of the concern or on its financial position.

KSI Shah & Associates

P.O. Box 71341 Dubai - U.A.E. KSI SHAH & ASSOCIATES

For KSI Shah & Associates
Dubai, U.A.E.
Signed by:
Sonal P. Shah (Registration No. 123)

28 April 2026

SHARDA INTERNATIONAL FZCO

Statement of Financial Position

At 31 March 2026

	Notes	2026 US $	2025 US $
ASSETS			
Non-current assets			
Fixed assets	6	642	1,369
Investment in subsidiaries	7	725,253	802,132
		725,895	**803,501**
Current assets			
Trade and other receivables	8	15,527,291	19,449,601
Due from a related party	19	13,400	-
Prepayments		12,136	12,077
Bank balances	9	6,397,450	5,921,691
		21,950,277	**25,383,369**
TOTAL ASSETS		**22,676,172**	**26,186,870**
EQUITY AND LIABILITIES			
Equity			
Share capital	10	54,440	54,440
Accumulated profits		17,136,991	15,403,073
Total equity		**17,191,431**	**15,457,513**
Non-current liability			
Provision for staff end of service gratuity		**14,426**	**131,719**
Current liabilities			
Trade and other payables	11	5,470,315	10,589,469
Due to a related party	19	-	8,169
		5,470,315	**10,597,638**
TOTAL EQUITY AND LIABILITIES		**22,676,172**	**26,186,870**

The accompanying notes 1 to 25 form an integral part of these financial statements.
The Independent Auditors' Report is set forth on pages 2 to 3.
Approved by the shareholder/board of directors on 28 April 2026 and signed on their behalf by:

For SHARDA INTERNATIONAL FZCO

P.O. Box: 58141
Dubai - U.A.E
SHARDA INTERNATIONAL FZCO

Mr. Ramprakash Bubna
Director

Mr. Lavish Girish Wadhwani
Director

SHARDA INTERNATIONAL FZCO

Statement of Comprehensive Income
for the year ended 31 March 2026

	Notes	2026 US $	2025 US $
Sales	12	**62,400,316**	**64,666,654**
Cost of sales	13	(45,288,687)	(49,588,269)
Gross profit		**17,111,629**	**15,078,385**
Other income	14	627,950	749,879
Expenses	15	(1,483,564)	(849,299)
Realised (loss) on forward contracts (net)	20	(10,073)	(7,986)
Profit from operations		**16,245,942**	**14,970,979**
Interest income	16	36,607	25,261
Finance costs	17	(48,631)	(42,772)
Profit before tax for the year		**16,233,918**	**14,953,468**
Current tax expense	24	-	-
Profit after tax for the year		**16,233,918**	**14,953,468**
Other comprehensive income		-	-
Total comprehensive income for the year		**16,233,918**	**14,953,468**

The accompanying notes 1 to 25 form an integral part of these financial statements.

SHARDA INTERNATIONAL FZCO

Statement of Changes in Equity
for the year ended 31 March 2026

	Share Capital US $	*Accumulated Profits US $*	*Total US $*
As at 31 March 2024	**54,440**	**14,949,605**	**15,004,045**
Profit after tax for the year	-	14,953,468	14,953,468
Dividend paid	-	(14,500,000)	(14,500,000)
As at 31 March 2025	**54,440**	**15,403,073**	**15,457,513**
Profit after tax for the year	-	16,233,918	16,233,918
Dividend paid	-	(14,500,000)	(14,500,000)
As at 31 March 2026	**54,440**	**17,136,991**	**17,191,431**

The accompanying notes 1 to 25 form an integral part of these financial statements.

SHARDA INTERNATIONAL FZCO

Statement of Cash Flows
for the year ended 31 March 2026

	Notes	2026 US $	2025 US $
Cash flows from operating activities			
Profit before tax for the year		16,233,918	14,953,468
Adjustments for:			
Depreciation		727	727
Provision for doubtful debts		598,952	-
Provision for staff end of service gratuity		7,366	131,719
Interest income		(36,607)	(25,261)
Finance costs		48,631	42,772
Operating profit before working capital changes		**16,852,987**	**15,103,425**
Changes in trade and other receivables		3,323,358	(5,464,445)
Changes in prepayments		(59)	11,401
Changes in related party balances (net)		(21,569)	8,169
Changes in trade and other payables		(5,119,154)	6,192,720
Cash generated from operations		**15,035,563**	**15,851,270**
Staff end of service gratuity paid		(124,659)	-
Net cash from operating activities		**14,910,904**	**15,851,270**
Cash flows from investing activities			
Changes in investment in subsidiaries		76,879	-
Changes in fixed deposits		(22,460)	(25,261)
Interest income		36,607	25,261
Net cash from investing activities		**91,026**	**-**
Cash flows from financing activities			
Changes in bank borrowing		-	(404,693)
Finance costs paid		(48,631)	(42,772)
Dividend paid		(14,500,000)	(14,500,000)
Net cash (used in) financing activities		**(14,548,631)**	**(14,947,465)**
Net changes in cash and cash equivalents		**453,299**	**903,805**
Cash and cash equivalents at the beginning of the year		**5,236,291**	**4,332,486**
Cash and cash equivalents at the end of the year	18	**5,689,590**	**5,236,291**

The accompanying notes 1 to 25 form an integral part of these financial statements.

SHARDA INTERNATIONAL FZCO
(Incorporated in the Dubai Airport Free Zone, Dubai, U.A.E.)
(Registration No RNo-01824)

Notes to the Financial Statements
for the year ended 31 March 2026

1. Legal status and business activity

a) **SHARDA INTERNATIONAL FZCO** ("The Company") is a Private Freezone Limited Liability Company incorporated with Dubai Airport Free Zone of Dubai Integrated Economic Zones Authority, United Arab Emirates registered on 28th June 2024, under trading license number 06326.

b) The company is registered to carry out trading in rubber and industrial chemicals. During the year, the company has mainly traded in rubber items such as conveyer belts.

c) These financial statements have been prepared as a stand-alone company, and reflect the operations of **SHARDA INTERNATIONAL FZCO** only and does not include the financial statements of its four wholly owned subsidiaries i.e.**1) SIDDHIVINAYAK INTERNATIONAL LIMITED, U.A.E, 2) EUROAZIJSKI PESTICIDI D.O.O., CROATIA, 3) SHARDA IMPEX TRADING LLC, U.A.E.** *(liquidated as on 16 January 2026)* **and 4) SHARDA AGROCHEMICALS FZCO, U.A.E.**

The consolidated financial statements of the company including its subsidiaries as above are prepared separately by the company.

d) **Events during the period**
The Board remains attentive to the geopolitical tensions in the Middle East that have continued to evolve, including ongoing regional conflicts and heightened political uncertainty. These developments have increased volatility in global and regional markets and may, over time, affect transportation costs, commodity pricing and market sentiment. As at the date of approval of these financial statements, the Company continues to monitor developments in the region and will assess the impact, if any, on future periods.

2. Basis of preparation

a) **Statement of compliance**
The financial statements are prepared in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB) and which are effective for accounting periods beginning on or after 1 January 2025 and the applicable requirements of the Dubai Airport Free Zone Authority.

b) **Basis of measurement**
The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (including derivative instruments) which are being measured at fair value. Historical cost is based on the fair value of the consideration given to acquire the asset or cash and cash equivalents expected to be paid to satisfy the liability.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety as described below:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

c) Functional and presentation currency

The functional currency of the company is U.A.E. Dirhams. These financial statements are presented in United States Dollars (USD), which in the opinion of the management is the most appropriate presentation currency in view of the global presence of the company. U.A.E. Dirham is currently pegged to USD and there are no differences on translation from functional to presentation currency.

d) Investment in subsidiaries

In the financial statements of the parent, investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognized in comprehensive Statement of Comprehensive Income.

3. Use of estimates and judgments

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgments made in applying accounting policies

The significant judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

Revenue from contracts with customers

Sale of goods

- Timing for transfer of control of goods:

  In case of performance obligation satisfied at point in time, the control of goods is transferred, when physical delivery of the goods to the agreed location has occurred, as a result, the company has a present right to payment and retains none of the significant risks and rewards of the goods.

- Financing components

  The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

- Determining the transaction price:

  The company's revenue from sale of goods is derived from fixed price contracts with customers and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices. Based on the historical performance of the company, it is highly probable that there will not be reversal of previously recognized revenue on account of the return of goods or volume rebates.

- Allocating the transaction prices:

  There is a fixed unit price for each item sold to the customer. Therefore, there is no judgment involved in allocating the contract price to each unit ordered in contracts with customers. Where a customer orders more than one item, the company is able to determine the split of the total contract price between each item by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

SHARDA INTERNATIONAL FZCO

Notes to the Financial Statements
for the year ended 31 March 2026

- Provision of rights to return goods, volume rebates and other similar obligations:

  The company reviews its estimate of expected returns at each reporting date on basis of the historical data for the returns, rebates and other similar obligations and updates the amounts of the asset and liability accordingly.

Impairment of non-financial assets

At each reporting date, management conducts an assessment of fixed assets to determine whether there are any indications that they may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

Financial assets at fair value through profit or loss

The company has elected to record the investments at fair values through profit and loss account as the financial assets are held primarily for trading. All derivatives (except those designated hedging instruments) and financial assets acquired or held for the purpose of selling in the short term or for which there is a recent pattern of short-term profit taking are considered as held for trading.

Key sources of estimation uncertainty and assumptions

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

Residual values of fixed assets

Residual values are assumed to be zero unless a reliable estimate of the current value can be obtained for similar assets of ages and conditions that are reasonably expected to exist at the end of the assets' estimated useful lives.

Estimated useful life of fixed assets

Management determines the estimated useful lives and depreciation charge for its fixed assets at the time of addition of the assets and is reviewed on annual basis.

Provision for expected credit losses of trade receivables and contract assets

The Company follows simplified approach for recognition of impairment loss allowance on trade receivables and other receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

SHARDA INTERNATIONAL FZCO

Notes to the Financial Statements
for the year ended 31 March 2026

Provision for expected credit losses of trade receivables and contract assets (contd.)

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head ‘other expenses’ in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Staff end-of-service gratuity

The company computes the provision for the liability to staff end-of-service gratuity assuming that all employees were to leave as of the reporting date. The management is of the opinion that no significant difference would have arisen had the liability been calculated on an actuarial basis as salary inflation and discount rates are likely to have approximately equal and opposite affects.

Deferred tax assets

Deferred tax assets relating to income tax losses have not been recognised on the basis that, based on latest forecasts and projections, it is not probable that future taxable amounts will be sufficient to realize the assets in the short term.

4. Adoption of new International Financial Reporting Standards

a) New and revised International Financial Reporting Standards

The following International Financial Reporting Standards (IFRSs), amendments and interpretations issued by IASB that became effective for the current reporting period:

- Amendments to IAS 21 - Lack of Exchangeability.

During the current year, the management has adopted the above amendments to the extent applicable to them from their effective dates.

These amendments have no significant impact on the amounts reported in these financial statements. Their adoption has resulted in presentation and disclosure changes only.

b) International Financial Reporting Standards issued but not effective

Amendments to IFRS 9 and IFRS 7- Amendments to the classification and measurements of financial instruments. The effective date of the amendments is set for annual periods beginning on or after 1 January 2026.

Amendments to IFRS 9 and IFRS 7- Contract Referencing Nature-Dependent Electricity The effective date of the amendments is set for annual periods beginning on or after 1 January 2026.

Annual Improvements to IFRS Accounting Standards Volume 11-The effective date of this is set for annual periods beginning on or after 1 January 2026.

IFRS 18 - Presentation and Disclosure in Financial Statements- The effective date of the standard is set for annual periods beginning on or after 1 January 2027.

SHARDA INTERNATIONAL FZCO

Notes to the Financial Statements
for the year ended 31 March 2026

International Financial Reporting Standards issued but not effective (cont.)
IFRS 19 – Subsidiaries without public accountability: Disclosures- The effective date of the standard is set for annual periods beginning on or after 1 January 2027.

The company has not adopted any other standard, amendment or interpretation that has been issued but is not yet effective.

5. Significant accounting policies:

a) Depreciation of fixed assets

The cost of fixed assets is depreciated by equal annual installments over their estimated useful lives as under:

Computers	3 years
Office equipment	10- 21 years

The useful lives and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

b) Investment in subsidiaries

Subsidiaries are an entity (investee) which is controlled by another entity (the Parent or the Investor). The control is based on whether,

a) The Investor has power over the investee
b) It is exposed to rights of variable returns and
c) It has the ability to use its power to affect the amount of the returns.

Investment in subsidiaries is stated at cost less provision for impairment if any.

Income from investment in subsidiaries is accounted only to the extent of receipt of distribution of accumulated net profits of subsidiary. Distributions received in excess of such profits are considered as a recovery of investments and are recorded as a reduction of the cost of investments.

c) Financial instruments

i. Recognition and Initial measurement

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable in relation to financial assets and financial liabilities, other than those carried at fair value through profit or loss (FVTPL), are added to the fair value on initial recognition.

ii. Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified as follows:

<u>*Financial assets at amortized cost (debt instruments)*</u>

Financial assets that are held within a business model whose objective is to hold the asset in order to collect contractual cash flows that are solely payments of principal and interest are subsequently measured at amortized cost less impairments, if any. Interest income calculated using effective interest rate (EIR) method and impairment loss, if any are recognised in the statement of profit and loss. Gains and losses are recognised in profit or loss when the asset is derecognized, modified or impaired.

The company’s financial assets at amortised cost include trade and other receivables and bank balances. Due to the short-term nature of these financial assets, their carrying amounts are considered to be the same as their fair value.

SHARDA INTERNATIONAL FZCO

Notes to the Financial Statements

for the year ended 31 March 2026

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss. Changes in fair value and income on these assets are recognised in the statement of profit and loss. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments.

iii. Classification and subsequent measurement of financial liabilities

The company's financial liabilities include trade and other payables. The carrying amounts of these financial liabilities are considered as to be the same as their fair values, due to their short term nature.

iv. Derecognition of financial assets and financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

v. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

vi. Impairment of financial assets

The Company recognizes an allowance for expected credit losses for all debt instruments not held at fair value through profit or loss. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Expected credit losses are recognized in two stages.

- For credit exposures for which there has not been a significant increase in credit risk since initial recognition, expected credit losses are provided for credit losses that result from default events that are possible within the next 12-months.
- For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default.

SHARDA INTERNATIONAL FZCO

Notes to the Financial Statements

for the year ended 31 March 2026

Impairment of financial assets (cont.)

For trade receivables and contract assets, the Company applies a simplified approach in calculating expected credit losses. The Company does not track changes in credit risk, but instead recognised a loss allowance based on lifetime expected credit losses at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

vii. Derivative financial instruments

Initial recognition and subsequent measurement

The company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting date. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

d) Foreign currency transactions

Transactions in foreign currencies are converted into United States Dollars at the rate of exchange ruling on the date of the transaction. Assets and liabilities expressed in foreign currencies are translated into United States Dollars at the rate of exchange ruling at the balance sheet date. Resulting gain or loss is taken to the Statement of Comprehensive Income.

e) Impairment of non-financial assets

The company assesses at each reporting date whether there is an indication that a non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset’s recoverable amount.

Where the carrying amount of an asset or cash generating units exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognized in the Statement of Comprehensive Income in those expense categories consistent with the function of the impaired asset.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset’s recoverable amount since the last impairment loss was recognized. Such reversal is recognized in the Statement of Comprehensive Income.

f) Provision

Provisions are recognized when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

When some or all 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 virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

SHARDA INTERNATIONAL FZCO

Notes to the Financial Statements
for the year ended 31 March 2026

g) Leases

The Company as lessee

Short-term leases and leases of low value assets
The Company applies the short-term lease recognition exemption to its short-term leases office premises (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). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

h) Staff end of service benefits

Provision is made for end-of-service gratuity payable to the staff, subject to the completion of a minimum service period, at the reporting date in accordance with the local labour laws.

i) Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current income tax

Income tax have been provided for in these financial statements in accordance with legislation enacted or substantively enacted at the reporting date in the United Arab Emirates where the Company operates and generates taxable income. The income tax charge comprises current tax and is recognized in profit or loss for the year.

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

Deferred tax

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

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

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

j) Revenue recognition

Sales of goods
The company has mainly carried out business of trading of rubber items such as conveyer belts.

SHARDA INTERNATIONAL FZCO

Notes to the Financial Statements
for the year ended 31 March 2026

Sales of goods (cont.)
Revenue from sale of goods is recognized at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customers and have been accepted by the customers at their premises and there is no unfulfilled obligation that could affect customer's acceptance of the goods. Delivery occurs when the goods have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer or the company has objective evidence that all criteria for acceptance have been satisfied.

The amount of revenue is shown as net of discounts, returns, other similar obligations as per the performance obligations determined as per the provisions of the contracts with customers

Interest income
Interest income from a financial asset at FVPL is included in the net fair value gains or loss on these assets. Interest income on financial assets at amortized cost and at FVOCI calculated using the effective interest method is recognized in statement of profit or loss as other income.

Interest income is presented as financial income where it is earned from financial asset that are held for cash management purposes.

Dividend income
Dividends are recognized as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case the dividend is recognized in OCI if it relates to investment measured at FVOCI.

k) Cash and cash equivalents
Cash and cash equivalents for the purpose of the cash flow statement comprise cash and cheques on hand, bank balance in current accounts, deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investment.

l) Borrowing costs
Finance cost comprises of interest paid to bank are recognized in Statement of Comprehensive Income.

m) Dividend and interim dividend:
Dividend including interim dividend is paid out of accumulated profits, when declared.

6. Fixed assets

	Computers *US $*	*Office Equipment* *US $*	*Total* *US $*
Cost			
As at 01.04.2025	1,034	3,818	4,852
As at 31.03.2026	**1,034**	**3,818**	**4,852**
Depreciation			
As at 01.04.2025	468	3,015	3,483
Charge for the year	345	382	727
As at 31.03.2026	**813**	**3,397**	**4,210**
Net book value			
As at 31.03.2026	**221**	**421**	**642**
As at 31.03.2025	566	803	1,369

In the opinion of management, there was no impairment in respect of any of the above fixed assets. Hence the carrying value of fixed assets as at 31 March 2026 approximates their net book value.

SHARDA INTERNATIONAL FZCO

Notes to the Financial Statements
for the year ended 31 March 2026

7. Investment in subsidiaries

	2026 US $	2025 US $
(Stated at cost):		
Siddhivinayak International Limited [a]	708,075	708,075
Sharda Benelux BVBA [b]	-	8,829
Euroazijski Pesticidi D.O.O [c]	3,568	3,568
Sharda Impex Trading LLC [d]	-	81,660
Sharda Agrochemicals FZCO [e]	13,610	-
	725,253	**802,132**

[a] *Represents investment in 100% share capital of a company registered in U.A.E. The subsidiary company's share capital is divided into 2,586 shares of AED 1,000 each.*

[b] *Represented investment in 100% share capital of a company registered in Belgium. The subsidiary company's share capital was divided into 100 shares of Euro 62 each. This subsidiary company was liquidated as on 10 March 2026. Accordingly, the investment in this subsidiary was written off during the year.*

[c] *Represents investment in 100% share capital of a company registered in Croatia. The subsidiary company's share capital is divided into 1 share of HRK 20,000 each.*

[d] *Represented investment in 100% share capital of beneficially owned company registered in U.A.E. The subsidiary company's share capital is divided into 300 shares of AED 1,000 each. This subsidiary company was liquidated as on 16 January 2026. Accordingly, the investment in this subsidiary was written off during the year.*

[e] *Represents investment in 100% share capital of a company registered in U.A.E. The subsidiary company's share capital is divided into 50 shares of AED 1,000 each.*

In the opinion of management, there was no impairment in respect of any of the above investments, hence carrying value of the investments as at 31 March 2026 approximates their net book value.

8. Trade and other receivables

	2026 US $	2025 US $
Trade receivables [a]	16,085,241	19,429,899
Provision for doubtful debts	(598,952)	-
	15,486,289	**19,429,899**
Advances paid to suppliers	41,002	19,702
	15,527,291	**19,449,601**

[a] *Includes receivables of US$ 462,145/- (previous year US$ 552,109/-) covered under export collection documents.*

9. Bank balances

	2026 US $	2025 US $
Bank balances in:		
Current accounts	5,689,590	5,236,291
Fixed deposit accounts	707,860	685,400
	6,397,450	**5,921,691**

10. Share capital

	2026 US $	2025 US $
Authorized, issued and paid up:		
200 shares of AED 1,000 [a] @ 3.674 per US $	**54,440**	**54,440**

[a] *Share certificate is issued in the name of Sharda Cropchem Limited, India.*

SHARDA INTERNATIONAL FZCO

Notes to the Financial Statements
for the year ended 31 March 2026

11. Trade and other payables

	2026 US $	2025 US $
Trade payables	2,564,630	7,166,607
Advances received from customers	302,388	283,348
Accruals and provisions	2,593,224	3,139,514
Other payables [a]	10,073	-
	5,470,315	**10,589,469**

[a] *Represents US$ 10,073 (previous year US$ Nil) net adverse position of open contracts of derivative financial instruments (refer note 20).*

12. Sales

	2026 US $	2025 US $
Conveyer belts	62,259,916	63,822,694
Others	140,400	843,960
	62,400,316	**64,666,654**

13. Cost of sales

	2026 US $	2025 US $
Purchases *(including direct expenses)*	45,288,687	49,588,269
	45,288,687	**49,588,269**

14. Other income

	2026 US $	2025 US $
Exchange gain	85,380	70,986
Sundry balances written back	519,463	117,911
Payroll service income *(refer note 19)*	8,400	-
Rental income *(refer note 19)*	5,000	-
Miscellaneous income	9,707	560,982
	627,950	**749,879**

15. Expenses

	2026 US $	2025 US $
Directors' remunerations and fees *(refer note 19)*	25,366	25,366
Salaries and benefits	201,260	278,933
Commission on sales	293,451	196,859
Other administrative expenses *(refer note 19)*	251,730	347,414
Provision for doubtful debts	598,952	-
Bad debts written off	112,078	-
Depreciation *(refer note 6)*	727	727
	1,483,564	**849,299**

16. Interest income

	2026 US $	2025 US $
Interest income from banks	22,460	25,261
Interest income from a related party *(refer note 19)*	14,147	-
	36,607	**25,261**

17. Finance costs

	2026 US $	2025 US $
Interest paid to bank	5	2,095
Bank charges	48,626	40,677
	48,631	**42,772**

18. Cash and cash equivalents

	2026 US $	2025 US $
Bank balances in:		
Current accounts	**5,689,590**	**5,236,291**

SHARDA INTERNATIONAL FZCO

Notes to the Financial Statements
for the year ended 31 March 2026

19. Related party transactions

For the purpose of this financial statement, parties are considered to be related to the company if the company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making party financial and operating decisions, or vice versa, or where the company and the party are subject to common control or common significant influence. Related party may be individuals or other entities.

The nature and amount of significant transactions during the year are as under:

	2026 US $ Key managerial person	2026 US $ Subsidiary company	2026 US $ Companies under common control	2026 US $ Parent company	2026 US $ Total	2025 US $ Total
Payroll service income *(refer note 14)*	-	8,400	-	-	8,400	-
Rental income *(refer note 14)*	-	5,000	-	-	5,000	-
Directors' remunerations *(refer note 15)*	25,366	-	-	-	25,366	25,366
Other administrative expenses *(refer note 15)*	-	17,195	-	-	17,195	103,444
Interest income *(refer note 16)*	-	-	14,147	-	14,147	-
Interim dividend paid	-	-	-	14,500,000	14,500,000	14,500,000

At the reporting date, balances with related parties were as follows:

	2026 US $ Subsidiary	2026 US $ Total	2025 US $ Total
Included in current assets:			
Due from a related party:			
Sharda Agrochemicals FZCO, U.A.E.	13,400	13,400	-
Included in current liabilities:			
Due to a related party:			
Sharda Impex Trading LLC, U.A.E.	-	-	8,169

20. Derivatives financial instruments

The company enters into forward financials instruments that are used by the company to hedge the risk of foreign currency fluctuations. These forward contracts are normally settled in cash for its net values.

There are no derivative financial instruments outstanding as on the reporting date *(refer note 11a)*.

21. Financial instruments: Credit, Market risk and liquidity risk exposures

The company has exposure to the following risks from its use financial instruments:

a) Credit risk
b) Market risk
c) Liquidity risk

a) Credit risk

Financial assets, which potentially expose the company to concentrations of credit risk, comprise principally of trade and other receivables and bank balances.

SHARDA INTERNATIONAL FZCO

Notes to the Financial Statements
for the year ended 31 March 2026

Trade and other receivables

As on 31st March 2026, the company's maximum exposure to credit risk from trade receivables other than related parties situated outside U.A.E amounted to US$ 3,824,504/- from two customers *(previous year US$ 2,098,908/- from one customer)*.

There are no significant concentrations of credit risk from trade receivables situated within U.A.E. and outside the industry in which the company operates.

Bank balances

The company's bank balances in current and fixed deposit accounts are placed with high credit quality financial institutions.

b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as exchange rate risk, interest rate risk or other price risk, which will affect the company's income or the value of its holding of financial instruments.

Financial instruments affected by market risk include interest-bearing loans and borrowings, deposits, financial assets at fair value through other comprehensive income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Interest rate risk

Interest on fixed deposits is at fixed rate.

Exchange rate risk

Except for the following financials assets and liabilities, which are denominated in foreign currencies, there is no significant exchange rate risk as substantially all financial assets and financial liabilities are denominated in US Dollar or U.A.E. Dirham to which the US Dollar is fixed.

	2026 Equivalent US $	***2025 Equivalent US $***
Investment in subsidiaries		
Euro	-	8,829
HRK	3,568	3,568
Trade receivables		
Euro	51,709	-
AUD	313,069	479,454
GBP	2,060,525	1,695,082
Bank balances		
Euro	246,867	185,941
GBP	211,647	339,743
AUD	15,469	114,663
Advances received from customers		
Euro	-	14,656
GBP	21,845	12,924
Accruals and provisions		
GBP	53,330	80,021

SHARDA INTERNATIONAL FZCO

Notes to the Financial Statements
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c) Liquidity risk

The following are the contractual maturities of the company's financial liabilities as of 31 March 2026:

Non-derivative financial liabilities	*Carrying Amounts US $*	*Payable within next 12 months US $*	*Payable after 12 months US $*
Provision for staff end of service gratuity	14,426	-	14,426
Trade and other payables:			
Trade payables	2,564,630	2,564,630	-
Advance received from customers	302,388	302,388	-
Accruals and provisions	2,593,224	2,593,224	-
Other payables	10,073	10,073	-

22. Financial instruments: Fair values

The fair values of the company's financial assets, comprising of trade and other receivables and bank balances and financial liabilities, comprising of trade and other payables approximate to their carrying values.

23. Contingent liability

There was no contingent liability of a significant amount outstanding as at the reporting date.

24. Taxation

On 9 December 2022, the United Arab Emirates (UAE) Ministry of Finance ("MoF") released Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023.

A rate of 9% will apply to taxable income exceeding a particular threshold to be prescribed by way of a Cabinet Decision (expected to be AED 375,000 based on information released by the Ministry of Finance), a rate of 0% will apply to taxable income not exceeding this threshold and a rate of 0% on qualifying income of free zone entities.

The Company has assessed its corporate tax position and since it fulfills all conditions as required by Cabinet Decision No. 100 of 2023 on Determining Qualifying Income for the Qualifying Free Zone Person for the Purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, accordingly corporate tax rate of 0% applies to the company. Hence, as confirmed by the management, there is no possible impact on the financial statements, both from current and deferred tax perspective.

25. Comparative figures

Previous year's figures have been regrouped/ reclassified wherever necessary to confirm to the presentation adopted in the current year.