SHARDA AGROCHEMICALS 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 AGROCHEMICALS FZCO

Financial Statements
31 March 2026

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SHARDA AGROCHEMICALS FZCO

Directors' Report

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

Results and dividend

The profit for the year after tax amounted to US $ 1,170,179/-.

To conserve financial resources of the company, no dividend is declared for the year.

Review of the business

The Company is registered to carry out activity of trading in agricultural pesticides and chemical fertilizers. During the year, the company has mainly traded in agrochemicals.

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 his interest

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

Name of the shareholder	*Incorporation*	*No. of shares*	*AED*	*Equivalent US $*
Sharda International FZCO	U.A.E.	50	50,000	13,610

Auditors

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

SHARDA AGROCHEMICALS FZCO P.O. Box: 53141 Dubai - U.A.E

Mr. Ramprakash Bubna
Director

Mr. Lavish Girish Wadhwani
Director

Dipali

Independent Auditors' Report to the Shareholder of SHARDA AGROCHEMICALS FZCO

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **SHARDA AGROCHEMICALS 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 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.

Responsibilities of 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 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 AGROCHEMICALS FZCO

Report on the Audit of the Financial Statements (continued)

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

KSI SHAH & ASSOCIATES
P.O. Box 71241
Dubai - U.A.E.

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

28 April 2026

SHARDA AGROCHEMICALS FZCO

Statement of Financial Position
At 31 March 2026

	Notes	2026 US $
ASSETS		
Current assets		
Trade receivables	6	3,858,220
Prepayments		4,010
Cash and cash equivalents	7	204,650
		4,066,880
TOTAL ASSETS		4,066,880
EQUITY		
Equity		
Share capital	8	13,610
Profit for the year		1,170,179
Total Equity		1,183,789
Current liabilities		
Trade and other payables	9	2,869,691
Due to a related party	12	13,400
		2,883,091
TOTAL EQUITY AND LIABILITIES		4,066,880

The accompanying notes 1 to 17 form an integral part of these financial statements.
The Independent Auditors' Report is set forth on pages 2 – 3.
Approved by the shareholder/board of directors on 28th April 2026 and signed on their behalf by.

For SHARDA AGROCHEMICALS FZCO

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

Mr. Ramprakash Bubna
Director

Mr. Lavish Girish Wadhwani
Director

Dipali

SHARDA AGROCHEMICALS FZCO

Statement of Comprehensive Income
for the year ended 31 March 2026

	Notes	2026 US $
Sales	12	3,974,933
Cost of sales	10	(2,730,788)
Gross profit		**1,244,145**
Expenses	11	(73,966)
Profit for the year before tax		**1,170,179**
Current tax expense	16	-
Profit for the year after tax		**1,170,179**
Other comprehensive income		-
Total comprehensive income for the year		**1,170,179**

The accompanying notes 1 to 17 form an integral part of these financial statements.

SHARDA AGROCHEMICALS FZCO

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

	Share capital US $	*Profit for the year US $*	*Total US $*
Introduced during the year	**13,610**	**-**	**13,610**
Profit for the year after tax	-	1,170,179	1,170,179
As at 31 March 2026	**13,610**	**1,170,179**	**1,183,789**

The accompanying notes 1 to 17 form an integral part of these financial statements.

SHARDA AGROCHEMICALS FZCO

Statement of Cash Flows
for the year ended 31 March 2026

	2026
	US $
Cash flows from operating activities	
Profit for the year after tax	1,170,179
Operating profit before working capital changes	**1,170,179**
Trade receivables	(3,858,220)
Prepayments	(4,010)
Trade and other payables	2,869,691
Due to a related party	13,400
Net cash from operating activities	**191,040**
Cash flows from financing activities	
Share capital introduced	13,610
Net cash from financing activities	**13,610**
Net changes in cash and cash equivalents	**204,650**
Cash and cash equivalents at beginning of the year	**-**
Cash and cash equivalents at end of the year	**204,650**

The accompanying notes 1 to 17 form an integral part of these financial statements.

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

1. Legal status and business activity

a) **SHARDA AGROCHEMICALS 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 on 25th March 2025, under trading license number 06778. The license of the company was issued on 25 March 2025.

b) The Company is registered to carry out activity of trading in agricultural pesticides and chemical fertilizers. During the year, the company has mainly traded in agrochemicals.

c) **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.

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 the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange of assets.

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.

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.

3. Use of estimates and judgment

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.

SHARDA AGROCHEMICALS FZCO

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

Use of estimates and judgment (contd.)
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years 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 is 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).
- 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.

Financial assets at amortized cost
The Company classifies its financial assets as at amortized cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

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.

SHARDA AGROCHEMICALS FZCO

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

Impairment of financial assets
The loss allowance for financial assets is based on assumptions about risk of default and expected loss rates. The company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Deferred tax assets
Deferred tax assets relating to income tax losses have not been recognized 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.

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) 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.

SHARDA AGROCHEMICALS FZCO

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

ii. Classification and subsequent measurement of financial assets
For the purpose of subsequent measurement, financial assets are classified as follows:

Financial assets at amortized cost (debt instruments)
The Company's financial assets at amortized cost include trade 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.

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
Financial assets are de-recognised when, and only when,

- The contractual rights to receive cash flows expire or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - the Company has transferred substantially all the risks and rewards of the asset, or
  - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised 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.

b) Foreign currency transactions
Transactions in foreign currencies are converted into US Dollars at the rate of exchange ruling on the date of the transaction. Assets and liabilities expressed in foreign currencies are translated into US Dollars at the rate of exchange ruling at the balance sheet date. Resulting gain or loss is taken to the Statement of comprehensive income.

SHARDA AGROCHEMICALS FZCO

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

c) Provisions

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.

d) Short-term leases and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term lease of 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 are recognized as expense on a straight-line basis over the lease term.

e) Taxes

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

Current income tax

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 recognized 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 recognized for all taxable temporary differences. Deferred tax assets are generally recognized 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 recognized 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 recognized 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.

SHARDA AGROCHEMICALS FZCO

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

f) Revenue recognition

Sales of goods

The company has mainly carried out trading of agricultural pesticides and chemical fertilizers.

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 and as per the performance obligations determined as per the provisions of the contracts with customers.

g) Cash and cash equivalents

Cash and cash equivalents for the purpose of the cash flow statement comprise cash and cheques on hand, bank balances 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.

h) Dividend

Dividend is paid out of accumulated profits, when declared.

		2026
		US $
6.	**Trade receivables**	
	Trade receivables *(refer note 12)*	**3,858,220**
7.	**Cash and cash equivalents**	
	Bank balances in:	
	Current accounts	**204,650**
8.	**Share capital**	
	Authorized, issued and subscribed capital	
	50 shares of nominal value of AED 1,000/- each *(converted @ AED 3.67 per US $1)*	**13,610**
9.	**Trade and other payables**	
	Trade payables	2,606,711
	Advance received from customers	71,011
	Accruals and provisions	191,969
		2,869,691
10.	**Cost of sales**	
	Purchases *(including direct expenses)*	**2,730,788**
11.	**Expenses**	
	Director's fees *(refer note 12)*	1,572
	Salaries *(refer note 12)*	8,400
	Rent *(refer note 12)*	5,000
	Audit fees	1,430
	Commission on sales	36,619
	Other administrative expenses	20,945
		73,966

SHARDA AGROCHEMICALS FZCO

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

12. 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	*2026*	*2026*	*2026*
	US $	*US $*	*US $*	*US $*
	Key managerial personnel	*Parent company*	*Companies under common control*	*Total*
Sales	-	-	7,799	7,799
Director's fees *(refer note 11)*	1,572	-	-	17,195
Salaries *(refer note 11)*	-	8,400	-	8,400
Rent *(refer note 11)*	-	5,000	-	5,000

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

	2026	*2026*	*2026*
	US $	*US $*	*US $*
	Parent Company	*Companies under common control*	*Total*
Included in current assets:			
Trade receivables *(refer note 6)*	-	8,181	8,181
Included in current liabilities:			
Due to a related party:			
Sharda International FZCO, U.A.E.	13,400	-	13,400

13. Financial instruments: Credit, interest rate, liquidity risk and exchange rate risk exposures

The company has exposure to the following risks from its use of 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 receivables and bank balances.

Trade and other receivables

As at 31 March 2026, the company's exposure on account of significant concentration of credit risk, for trade receivables, situated outside U.A.E., amounted to US$ 1,334,175 due from three customers.

There is no significant concentration of credit risk from receivables situated within U.A.E. or outside the industry in which the company operates.

Bank balances

The company's bank balances in current accounts are placed with high credit quality financial institutions in U.A.E.

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.

SHARDA AGROCHEMICALS FZCO

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

Interest rate risk
Since the company does not have any deposits or borrowings, interest rate risk is minimum.

Exchange rate risk
There is no significant exchange rate risks as substantially all financial assets and financial liabilities are denominated in US Dollars or U.A.E. Dirham to which US Dollars is fixed.

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 $*
Trade and other payables:		
Trade payables	2,606,711	2,606,711
Accruals and provisions	191,969	191,969
Due to a related party	13,400	13,400

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

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

16. 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. As the Company's accounting year ends on 31 March the first tax period will be the period from 1 March 2025 to 31 March 2026, with the respective tax return to be filed on or before 31 December 2026.

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.

17. Comparative figures
This being the first financial year of the company's operations, there are no comparative figures.