

GLOBAL SURFACES FZE
Dubai, United Arab Emirates
Financial Statements
For the year ended 31 March, 2025

<p>FINANCIAL STATEMENTS & INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2025</p>

GLOBAL SURFACES FZE

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To,
The Shareholders
Global Surfaces FZE
Jebel Ali Free Zone, Dubai, United Arab Emirates

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Global Surfaces FZE, Dubai, United Arab Emirates** ("Company") which comprise the statement of financial position as at 31 March, 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March, 2025 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis of 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 requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



(cont...)

Global Surfaces FZE

Key audit matter	How our audit addressed the key audit
As described in Note 4 and 15 to the financial statements, the Establishment has entered into a license agreement wherein the licensors will grant exclusive rights to use the licensed patent and know-how and shall also provide equipment to enable the establishment to develop, manufacture and produce the licensed product	To address this risk, we performed the following procedures amongst others: <ul style="list-style-type: none"> • We performed risk assessment procedures including inquiries from management. We have also obtained and examined the licensing agreement including the terms of profit sharing
As per the terms of agreement, the Establishment is required to share profit with the licensor on the sale of licensed products at an agreed percentage.	<ul style="list-style-type: none"> • We performed test of detail procedures and tested the existence of appropriate controls designed by the establishment for recognition of revenue and allocation of cost for licensed product in the accounting system used by the establishment
As being the first year of arrangement and looking to the quantum of cost allocated against the sale of licensed products which is subject to verification by the licensor, therefore estimation of profit share payable to licensor involve uncertainties and require significant management judgment, which we determined this to be a key audit matter	<ul style="list-style-type: none"> • We have obtained from the management the detailed profit and loss statements for the licensed product for our verification and ascertaining the profit share, if any payable to licensor's. • We assessed the adequacy of disclosures in the financial statements in accordance with the applicable financial reporting framework

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

Auditor's 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.



Global Surfaces FZE**Auditor's Responsibilities for the Audit of the Financial Statements (Cont..)**

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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

We further confirm that,

1. Compliance with Federal Law No (32) of 2021 of U.A.E.
- 2 We have obtained all the information and explanations which we considered necessary for our audit,
- 3 The financial statements have been prepared and comply in all material respects with the applicable provisions of the relevant U.A.E. laws, and the Memorandum and Articles of Association of the Company,
- 4 The contents of the Manager's report which relates to the financial statements are in agreement with the Company's books of account.

COAST ACCOUNTING & AUDITING

Chartered Accountants

R.I. Bhatia
Reg. No. 174, United Arab emirates
Ministry of Economy (Audit Division)
Date :- 26 May 2025



GLOBAL SURFACES FZE

Statement of Profit or Loss and Other Comprehensive Income For The Year Ended 31 March 2025

	Notes	2025 AED	2024 AED
Revenue from contracts with customers	4	27,948,666	25,432,728
Other income	6	97,097	753,527
Revenue		28,045,763	26,186,255
Cost of materials consumed	7	14,536,044	3,183,367
Purchase of stock in trade	8	991,153	18,500,000
Change in inventory	9	(4,642,839)	(2,701,082)
Cost of sales		10,884,358	18,982,285
Gross profit		17,161,405	7,203,970
Employee benefit expenses	10	6,012,319	956,485
Depreciation and amortisation expenses	11	5,654,904	833,626
Finance cost	12	10,482,303	1,642,866
Other expenses	13	10,588,818	1,298,894
Total expenses		32,738,344	4,731,871
(Loss)/ Profit for the year before tax		(15,576,939)	2,472,099
Income tax expense	14	--	--
(Loss)/ Profit for the year after tax		(15,576,939)	2,472,099
Other comprehensive income:			
Other comprehensive income for the year		--	--
Total comprehensive income for the year after tax		(15,576,939)	2,472,099

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

The report of the independent auditor is set forth on pages 1 to 3.



GLOBAL SURFACES FZE

Statement of Financial position For The Year Ended 31 March 2025

	Notes	2025 AED	2024 AED
Assets			
Non-current assets			
Property, plant and equipment	15	92,671,768	96,066,044
Capital work in progress	16	--	51,948
Right-of-use assets	17	16,847,165	17,852,801
Intangible assets	18	12,786	15,436
Other financial assets	20	233,599	249,674
Other non-current assets	21	733,105	--
		<u>110,498,423</u>	<u>114,235,903</u>
Current assets			
Inventories	22	14,216,645	7,195,471
Financial assets			
(a) Trade receivables	23	40,021,072	25,791,983
(b) Cash and cash equivalents	24	424,452	1,667,928
(c) Bank balances other than (b) above	25	1,771,043	--
(d) Loans and advances	26	89,526	--
(e) Other financial assets	27	61,605	--
Other current assets	28	2,692,955	1,176,649
		<u>59,277,298</u>	<u>35,832,031</u>
Total assets		<u>169,775,721</u>	<u>150,067,934</u>
Equity and liabilities			
Equity			
Share capital	29	9,624,900	9,624,900
(Accumulated losses)/ Retained earnings		(13,138,671)	2,438,268
(Net deficit)/ Total equity		<u>(3,513,771)</u>	<u>12,063,168</u>
Non-current liabilities			
Financial liabilities			
(a) Borrowings	30	104,322,963	98,613,767
(b) Lease liabilities	31	19,951,213	20,162,599
Provisions	32	256,905	--
		<u>124,531,081</u>	<u>118,776,366</u>
Current liabilities			
Financial liabilities			
(a) Borrowings	33	22,563,921	3,884,149
(b) Trade payables	34	9,507,149	5,878,307
(c) Lease liabilities	31	479,566	716,046
(d) Other financial liabilities	35	12,015,350	8,749,898
Provisions	32	86,359	--
Other current liabilities	36	4,106,066	--
		<u>48,758,411</u>	<u>19,228,400</u>
Total liabilities		<u>173,289,492</u>	<u>138,004,766</u>
Total equity and liabilities		<u>169,775,721</u>	<u>150,067,934</u>

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Statement of Financial position

For The Year Ended 31 March 2025

continued...

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

The report of the independent auditor is set forth on pages 1 to 3.


We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them. We confirm that we have made available all relevant accounting records and information for their compilation.

Approved and authorised for issue by the directors on 26 May 2025 and signed on their behalf by directors on

For GLOBAL SURFACES FZE



Mayank Shah
Director



Sweta Shah
Director



GLOBAL SURFACES FZE

Statement of Changes in Equity For The Year Ended 31 March 2025

Attributable to the equity holder			
	Share capital	Retained earnings	Total equity
	AED	AED	AED
As at 1 April 2024	9,624,900	2,438,268	12,063,168
Loss for the year	--	(15,576,939)	(15,576,939)
Other comprehensive income	--	--	--
Total comprehensive income	--	(13,138,671)	(13,138,671)
At 31 March 2025	9,624,900	(13,138,671)	(3,513,771)

Attributable to the equity holder			
	Share capital	Retained earnings	Total equity
	AED	AED	AED
As at 1 April 2023	9,624,900	(33,831)	9,591,069
Profit for the year	--	2,472,099	2,472,099
Other comprehensive income	--	--	--
Total comprehensive income	--	2,472,099	2,472,099
At 31 March 2024	9,624,900	2,438,268	12,063,168

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

The report of the independent auditor is set forth on pages 1 to 3.



GLOBAL SURFACES FZE

Statement of Cash Flows

For The Year Ended 31 March 2025

For the year ended 31 March 2025	2025 AED	2024 AED
Operating activities		
Profit before tax from continuing operations	(15,576,939)	2,472,099
Profit/(loss) before tax from discontinued operations	--	--
Profit before tax	(15,576,939)	2,472,099
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and impairment of property, plant and equipment and right-of-use assets	5,652,254	832,296
Amortization	2,650	
and impairment of intangible assets		1,330
Provision for compensated absences	226,427	--
Provision for gratuity	161,336	--
Net foreign exchange differences	(13,085)	425,222
Gain on disposal of property, plant and equipment	(8,607)	
Provision for bad and doubtful debts	73,465	
Finance costs	10,482,303	1,642,866
Operating profit before working capital changes	999,804	5,373,813
Working capital changes:		
Decrease in other financial assets	16,074	2,950,723
Increase in inventories	(7,021,174)	(7,195,471)
Increase in trade receivables	(14,289,469)	(26,217,205)
Increase in loans and advances	(89,526)	10,767
Increase in other financial assets	(61,603)	--
Increase in other current assets	(1,516,304)	(292,698)
Increase in trade payable	3,628,840	5,881,881
Increase in other financial liabilities	795,446	(366,865)
Increase in other current liabilities	4,106,066	--
	(13,431,846)	(19,855,055)
Staff end of service benefits paid	(5,620)	--
Leave encashment benefits paid	(38,879)	--
Net cash used in operating activities	(13,476,345)	(19,855,055)

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GLOBAL SURFACES FZE

Statement of Cash Flows

For The Year Ended 31 March 2025

continued...

	2025 AED	2024 AED
Investing activities		
Fund kept as margin deposit	(1,771,043)	--
Purchase of property, plant and equipment	(1,279,407)	(40,963,284)
Sale of property, plant and equipment	87,618	
Repayments Capital advance	(733,105)	
Intangible assets	--	(16,766)
Net cash used in investing activities	(3,695,937)	(40,980,050)
Financing activities		
Net proceeds from borrowings	24,388,968	62,674,393
Payment of lease liabilities	(447,865)	--
Lease modifications	--	1,316,293
Finance cost on lease	(930,151)	(134,488)
Finance cost paid	(7,082,146)	(1,508,378)
Net cash flow from financing activities	15,928,806	62,347,820
Net (decrease)/ increase in cash and cash equivalents	(1,243,476)	1,512,715
Cash and cash equivalents at 1 April 2024	1,667,928	155,213
Cash and cash equivalents at 31 March 2025	424,452	1,667,928.00

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

The report of the independent auditor is set forth on pages 1 to 3.



GLOBAL SURFACES FZE

Notes to the Financial Statements

For The Year Ended 31 March 2025

1. Reporting Entity

1.1 **GLOBAL SURFACES FZE** (the "Establishment") is a freezone establishment with limited liability registered in Jebel Ali Free Zone, Dubai, United Arab Emirates in accordance with the applicable provisions of Jebel Ali Free Zone Companies Implementing Regulations 2016 made by the Jebel Ali Free Zone Authority (JAFZA) pursuant to the authority vested in JAFZA under the laws of U.A.E, including Decree No. 1 of 1985. The Establishment was registered on 23 December 2021 and operates vide industrial license no. 10498188. The registered address is at S50902, Jebel Ali Free Zone, S1300261236, Dubai, United Arab Emirates.

1.2 The Parent company is Global Surfaces Limited, a company registered in India.

1.3 The licensed activity of the Establishment is manufacturing of artificial marble.

2. Accounting policies

2.1 Basis of preparation

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) issued or adopted by the International Accounting Standards Board (IASB) and which are effective for accounting periods beginning 1 April 2024, and the requirements of Jebel Ali Free Zone Companies Implementing Regulations 2016 made by the Jebel Ali Free Zone Authority (JAFZA) pursuant to the authority vested in JAFZA under the laws of U.A.E, including Decree No. 1 of 1985.

The financial statements have been prepared on a historical cost basis.

The financial statements are presented in AED.

The financial statements are prepared on a going concern basis.

When preparing the financial statements, management makes an assessment of the Establishment's ability to continue as a going concern. The financial statements are prepared on a going concern basis unless management either intends to liquidate the Establishment or to cease operations or has no realistic alternative but to do so.

The Establishment incurred a loss of AED 15,576,939 for the year ended 31 March 2025 and at that date, the Establishment's losses aggregated to AED 13,138,671, and it had a net deficit of AED 3,513,771 in equity funds. These events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Establishment's ability to continue as a going concern.

However, the Parent Company has agreed to continue with the operations of the Establishment and have agreed to provide continuing financial support to enable the Establishment to discharge its liabilities as and when they fall due. Accordingly, these financial statements have been prepared on a going concern basis.



GLOBAL SURFACES FZE

Notes to the Financial Statements For The Year Ended 31 March 2025

2.2 Summary of accounting policies

a) Fair value measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability Or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Establishment.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Establishment uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

b) Revenue from contracts with customers

The Establishment is engaged in the business of manufacturing artificial marble.

Revenue from contracts with customers is recognised when the control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Establishment expects to be entitled in exchange for those goods or services.



GLOBAL SURFACES FZE

Notes to the Financial Statements For The Year Ended 31 March 2025

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

1. Identify the contracts with customers: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
3. Determine the transaction price: The transaction price is the amount of consideration to which the Establishment expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Establishment will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Establishment expects to be entitled in exchange for satisfying each performance obligation.
5. Recognize revenue when (or as) the Establishment satisfies a performance obligation at a point in time or over time.

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

- The customer simultaneously receives and consumes the benefits provided by the Establishment's performance as the Establishment performs; or
- The Establishment's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Establishment's performance does not create an asset with an alternative use to the Establishment and the Establishment has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

The Establishment is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue.

Sale of artificial marble

Revenue from contracts with customers is recognised when the control of the goods or services is transferred to the customers at an amount that reflects the consideration to which the Establishment expects to be entitled in exchange for those goods or services.



GLOBAL SURFACES FZE

Notes to the Financial Statements

For The Year Ended 31 March 2025

c) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Establishment operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal temporary differences
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal temporary differences
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.



GLOBAL SURFACES FZE

Notes to the Financial Statements

For The Year Ended 31 March 2025

In assessing the recoverability of deferred tax assets, the Establishment relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Establishment offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

d) Foreign currencies

The Establishment's financial statements are presented in AED. For each entity, the Establishment determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

e) Transactions and balances

Transactions in foreign currencies are initially recorded by the Establishment's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Establishment's net investment in a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognised in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).



GLOBAL SURFACES FZE

Notes to the Financial Statements

For The Year Ended 31 March 2025

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Establishment initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Establishment determines the transaction date for each payment or receipt of advance consideration.

f) Property, plant and equipment

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Establishment depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

• Building	30 years
• Plant & machinery	2 to 15 years
• Office equipment	5 years
• Computer	3 to 10 years
• Electrical installation	4 to 15 years
• Furniture and fixtures	3 to 10 years
• Vehicle	8 years
• Right-of-use asset	20 years

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate only when it is probable that future economic benefits associated with the expenditure will flow to the Establishment and such cost can be measured reliably. Such cost includes the cost of replacing part of the property, plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Establishment recognises such parts as individual assets with specific useful lives and depreciates them accordingly. The carrying amount of replaced parts is derecognised.

All other repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

The useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are recognised within 'other income' in profit or loss.



GLOBAL SURFACES FZE

Notes to the Financial Statements

For The Year Ended 31 March 2025

g) Leases

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

Establishment as a lessee

The Establishment applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Establishment recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) *Right-of-use assets*

The Establishment recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Land 20 years

If ownership of the leased asset transfers to the Establishment at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii) *Lease liabilities*

At the commencement date of the lease, the Establishment recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Establishment and payments of penalties for terminating the lease, if the lease term reflects the Establishment exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Establishment uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.



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Notes to the Financial Statements For The Year Ended 31 March 2025

h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

i) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

- Software 6 years

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

j) Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Establishment's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Establishment has applied the practical expedient, the Establishment initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Establishment has applied the practical expedient are measured at the transaction price.



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Notes to the Financial Statements For The Year Ended 31 March 2025

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Establishment's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Establishment commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost.
- Financial assets at fair value through OCI with recycling of cumulative gains and losses.
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition.
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Establishment's financial assets at amortised cost includes security deposit, advances, trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, loans and advances.

Financial assets at fair value through OCI with recycling of cumulative gains and losses

Financial assets at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.



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Notes to the Financial Statements For The Year Ended 31 March 2025

Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition

Upon initial recognition, the Establishment can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Establishment benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Establishment of similar financial assets) is primarily derecognised (i.e., removed from the Establishment's statement of financial position) when:

- The rights to receive cash flows from the asset have expired Or
- The Establishment 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 (a) the Establishment has transferred substantially all the risks and rewards of the asset, or (b) the Establishment has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Establishment has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Establishment continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Establishment also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Establishment has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Establishment could be required to repay.

The Establishment recognises an allowance for expected credit losses (ECLs) for all financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Establishment 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.



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Notes to the Financial Statements

For The Year Ended 31 March 2025

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). 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 (a lifetime ECL).

For trade receivables, the Establishment applies a simplified approach in calculating ECLs. Therefore, the Establishment does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Establishment 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.

For financial assets at fair value through OCI, the Establishment applies the low credit risk simplification. At every reporting date, the Establishment evaluates whether the financial assets are considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Establishment reassesses the internal credit rating of the debt instrument. In addition, the Establishment considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Establishment considers a financial asset in default when contractual payments are 365 days past due. However, in certain cases, the Establishment may also consider a financial asset to be in default when internal or external information indicates that the Establishment is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Establishment. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii) Financial liabilities

Initial recognition, measurement and presentation

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Establishment's financial liabilities include lease liabilities, borrowings, trade payables, other financial liabilities and advances.



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Notes to the Financial Statements For The Year Ended 31 March 2025

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss.
- Financial liabilities at amortised cost.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Establishment that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Establishment has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost

This is the category most relevant to the Establishment. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.



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Notes to the Financial Statements For The Year Ended 31 March 2025

Derecognition

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.

iii) 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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

k) Inventories

Inventories are valued at the lower of cost and net realisable value on a 'first in first out', "specific identification" or "weighted averages" basis as applicable.

Cost of finished goods and work in progress comprises of direct materials, delivery cost, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity where applicable. Cost of purchased inventory are determined after deducting rebates and discounts received or receivable. Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

l) Impairment of non-financial assets

The Establishment assesses, at each reporting date, whether there is an indication that an asset may be impaired.

If any indication exists, or when annual impairment testing for an asset is required, the Establishment estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU 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 pre-tax 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 of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.



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Notes to the Financial Statements For The Year Ended 31 March 2025

The Establishment bases its impairment calculation on the most recent budgets and forecast calculations, which are prepared separately for each of the Establishment's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Establishment estimates the asset's or CGU's recoverable amount. 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 recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation/ amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

m) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise current account balances and cash on hand.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and bank balances in current accounts, as defined above.

n) Provisions

General

Provisions are recognised when the Establishment has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Establishment expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

o) Staff benefits

The Establishment provides staff end-of-service benefits to its non-UAE national employees as per the applicable local laws, the entitlement to these benefits is based on the employees' last drawn basic salary and length of services which is accrued over the period of employment. Provision for staff end of services benefits are disclosed as non-current and current liability as per the signed actuary report.

Provision is also made for employees' entitlement to annual leave for eligible employees as per the policy of the Establishment. Provision relating to annual leave is disclosed as non-current and current liability as per the signed actuary report.



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Notes to the Financial Statements For The Year Ended 31 March 2025

p) Events after the reporting period

If the Establishment receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Establishment will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Establishment will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

q) Current versus non-current classification

The Establishment presents assets and liabilities in the condensed interim statement of financial position based on current/ non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or;
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or;
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Establishment classifies all other liabilities as non-current.

r) Contingencies and commitments

Contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefits is probable.

3. Significant accounting judgements, estimates and assumptions

The preparation of the Establishment's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.



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Notes to the Financial Statements For The Year Ended 31 March 2025

Judgements

Following are the judgments made in applying accounting policies, that affect the application of the Establishment's accounting policies and the amounts recognised in the financial statements:

Classification of financial assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Establishment's business model for managing them.

Impairment

At each reporting date, management conducts an assessment of property, plant and equipment and intangible 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.

The Establishment applies expected credit loss model to measure loss allowance in case of financial assets on the basis of 12-month expected credit losses or Lifetime expected credit losses depending on credit risk characteristics and how changes in economic factors affect expected credit losses, which are determined on a probability-weighted basis.

Leases

Determining the lease term

The Establishment determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Establishment has the option, under some of its leases to lease the assets for additional years. The Establishment applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. That is the Establishment considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Establishment reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Discounting of lease payments

The lease payments are discounted using the Establishment's incremental borrowing rate ("IBR"), which is from 4.5% p.a , due to the absence of implicit rates in the lease contracts.

Management has applied judgments and estimates to determine the IBR at the transition date, using borrowing rates that certain financial institutions would charge the Establishment against financing the different types of assets it leases over different terms and different ranges of values. IBR is further adjusted for Establishment's specific risk, term risk and underlying asset risk. Majority of the leases are present in the UAE and accordingly no adjustment for the economic environment was deemed required.



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Notes to the Financial Statements For The Year Ended 31 March 2025

Recognition of revenue and allocation of transaction price

Determine timing of satisfaction of performance obligation

The Establishment concluded that the revenue from sales of goods is to be recognised at a point in time when the control of the goods has transferred to the customers. Payment of the transaction price is due immediately at the point the customer purchases the goods.

Estimates and assumptions

Following are the key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Establishment's risk management. Revisions to estimates are recognised prospectively.

Carrying values of property, plant and equipment

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.

Inventory provisions

Management regularly undertakes a review of the Establishment's inventory, stated at AED 14,216,645 (previous year AED 7,195,471) in order to assess the likely realisation proceeds, taking into account purchase and replacement prices, technological changes, age, likely obsolescence, the rate at which goods are being sold and the physical damage. Based on the assessment assumptions are made as to the level of provisioning required.

Impairment

Assessments of net recoverable amounts of property, plant and equipment and intangible assets are based on assumptions regarding future cash flows expected to be received from the related assets.

Impairment of financial assets

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

Income tax

Significant judgments are involved in determining the provision for income tax, including the amount expected to be paid or recovered in connection with uncertain tax positions.



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Notes to the Financial Statements For The Year Ended 31 March 2025

Deferred tax

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, at the tax rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Establishment considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Staff benefits

The Establishment relied on the actuarial report for recognising the liability for staff end-of-service benefits stated at AED 155,716 (previous year AED nil) and entitlement to annual leave stated at AED 187,548 (previous year AED nil).

4. Revenue from contracts with customers

Disaggregated revenue information

Set out below is the disaggregation of the Establishment's revenue from contracts with customers:

	For the year ended 31 March 2025
Segments	Total
Type of goods	AED
Sale of Artificial Marbles	27,948,666
Total revenue from contracts with customers*	27,948,666
Geographical markets	
United Arab Emirates	7,157,490
Canada	118,577
India	1,245
Oman	924,320
United States of America	19,747,034
Total revenue from contracts with customers*	27,948,666

*The above revenue includes AED 9,161,087 from licensing agreement between SQIP LLC (United States of America) and Veegoo Technology Co. Ltd. (China).



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Notes to the Financial Statements For The Year Ended 31 March 2025

	For the year ended 31 March 2025
	Total AED
Timing of revenue recognition	
Goods and services transferred at a point in time	27,948,666
Total revenue from contracts with customers	27,948,666
	For the year ended 31 March 2024
Segments	Total AED
Type of goods	
Sale of artificial marbles	25,432,728
Total revenue from contracts with customers	25,432,728
Geographical markets	
United Arab Emirates	24,464,557
India	6,894
Oman	631,575
United States of America	329,702
Total revenue from contracts with customers	25,432,728
Timing of revenue recognition	
Goods and services transferred at a point in time	25,432,728
Total revenue from contracts with customers	25,432,728

5. Capital management

For the purpose of the Establishment's capital management, capital includes issued share capital and retained earnings attributable to the equity holder. The primary objective of the Establishment's capital management is to maximise the shareholder value.

The Establishment manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Establishment may adjust the dividend payment to shareholder, return capital to shareholder or issue new shares.

6. Other income

	2025 AED	2024 AED
Interest on bank deposit	--	18,987
Gain on disposal of property plant and equipment	8,607	--
Management fees	--	734,540
Exchange gain (net)	13,085	--
Miscellaneous income	75,405	--
	97,097	753,527



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Notes to the Financial Statements For The Year Ended 31 March 2025

7. Cost of material consumed

	2025 AED	2024 AED
Raw material		
Opening stock	4,494,399	--
Less: Adjustment of Wrong opening stock	(2,393,746)	--
Add: Purchases (net of return)	16,741,781	7,677,766
Less: Closing stock	(4,306,389)	(4,494,399)
	<u>14,536,044</u>	<u>3,183,367</u>

8. Purchase of stock in trade

	2025 AED	2024 AED
Purchase of stock in trade	<u>991,153</u>	<u>18,500,000</u>

9. Change in inventory

	2025 AED	2024 AED
Inventory at the beginning of the year		
Finished goods	2,460,020	--
Work in progress	241,062	--
Total (A)	<u>2,701,082</u>	<u>--</u>
Finished goods	7,342,658	2,460,020
Work in progress	1,263	241,062
Total (B)	<u>7,343,921</u>	<u>2,701,082</u>
Total (A-B)	<u>(4,642,839)</u>	<u>(2,701,082)</u>

10. Employee benefits expense

	2025 AED	2024 AED
Salaries, wages, bonus	3,490,337	700,647
Gratuity	161,336	--
Compensated absences	226,427	--
Staff welfare expenses	2,134,219	255,838
	<u>6,012,319</u>	<u>956,485</u>



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Notes to the Financial Statements For The Year Ended 31 March 2025

11. Depreciation and amortization expenses

	2025	2024
	AED	AED
Depreciation on tangible assets	4,646,618	688,634
Depreciation on intangible assets	2,650	1,330
Depreciation on right of use assets	1,005,636	143,662
	<u>5,654,904</u>	<u>833,626</u>

12. Finance cost

	2025	2024
	AED	AED
Secured long term borrowings	2,105,716	110,928
Secured short term borrowings	533,040	14,302
Unsecured borrowings from body corporates	5,380,533	1,227,653
Lease liabilities	930,151	134,488
Bank charges and processing fees	790,693	75,792
Guarantee commission charges	742,170	79,703
	<u>10,482,303</u>	<u>1,642,866</u>

13. Other expenses

	2025	2024
	AED	AED
<i>Manufacturing Expenses</i>		
Electricity expenses	1,803,468	94,371
Consumables and stores consumed	2,287,636	49,630
Repair and maintenance – machinery	111,688	28,555
Water charges	174,032	28,182
Labour charges	1,456,555	--
Slurry discharge expenses	298,797	42,325
Other direct expenses	147,995	22,850
<i>Administration Expenses</i>		
Insurance	270,155	23,537
Legal and professional fees	177,450	46,156
Rent, rates and taxes	82,168	9,315
Repair and maintenance other	159,310	53,022
Security charges	76,800	12,800
Travelling and conveyance	396,166	73,016
Provision for expected credit loss	73,465	--
Office expenses	359,154	194,844
Management fees	767,291	--
Miscellaneous expenses	239,992	181,205
<i>Selling & Distribution Expenses</i>		
Business promotion expenses	431,138	1,619
Transportation charges	625,744	8,095
Packing expenses	390,293	4,150
Exchange loss (net)	--	425,222
Miscellaneous expenses	259,521	--
	<u>10,588,818</u>	<u>1,298,894</u>



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Notes to the Financial Statements

For The Year Ended 31 March 2025

14. Income tax

On 9 December 2022, the U.A.E Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the 'CT law') to enact a Federal Corporate Tax ('CT') regime in the U.A.E. The CT Law is effective for the financial years beginning on or after 01 June 2023. The general corporate tax rate is 9% on the taxable income exceeding the threshold limit of AED 375,000. Entities classified as Qualifying Free Zone Persons are subject to a 0% corporate tax rate on their qualifying income, upon meeting specified conditions and 9% on their non-qualifying income.

For the Establishment, current taxes shall be accounted for as appropriate in the financial statements for the accounting period beginning on or after 1 January 2024. In accordance with IAS 12 Income Taxes, the related deferred tax accounting impact has been considered for the financial year ended 31 March 2025.

Based on the information available to date, the Establishment has assessed the deferred tax implications for the year ended 31 March 2025 and, after considering its interpretations of applicable tax law, official pronouncements, cabinet decisions and ministerial decisions (especially with regards to transition rules), it has been concluded that deferred tax implications are not expected to be material.

The Establishment shall continue to monitor critical Cabinet Decisions to determine the impact on the Establishment, from deferred tax perspective.



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Notes to the Financial Statements For The Year Ended 31 March 2025

15. Property, plant and equipment

	<u>Building</u>	<u>Office equipment</u>	<u>Plant and machinery</u>	<u>Computer</u>	<u>Electrical Installation</u>	<u>Furniture and fixtures</u>	<u>Vehicle</u>	<u>Total</u>
	AED	AED	AED	AED	AED	AED	AED	AED
Cost or valuation								
As at 01 April 2023	--	--	--	6,847	--	--	124,953	131,800
Additions during the year	50,345,580	130,800	42,295,282	16,502	2,884,569	361,968	620,726	96,655,427
Disposals	--	--	--	--	--	--	--	--
As at 31 March 2024	50,345,580	130,800	42,295,282	23,349	2,884,569	361,968	745,679	96,787,227
Additions during the year	59,170	12,214	729,721	22,295	32,760	113,673	361,498	1,331,331
Disposal	--	--	--	--	--	--	(124,953)	(124,953)
As at 31 March 2025	50,404,750	143,014	43,025,003	45,644	2,917,329	475,641	982,224	97,993,605
Accumulated depreciation								
As at 01 April 2023	--	--	--	1,325	--	--	31,223	32,548
Charge for the year	230,634	2,307	388,117	4,359	26,531	664	36,023	688,635
Disposal	--	--	--	--	--	--	--	--
As at 31 March 2024	230,634	2,307	388,117	5,684	26,531	664	67,246	721,183
Charge for the year	1,590,677	22,467	2,692,623	10,436	190,165	42,308	97,919	4,646,595
Disposal	--	--	--	--	--	--	(45,941)	(45,941)
As at 31 March 2025	1,821,311	24,774	3,080,740	16,120	216,696	42,972	119,224	5,321,837
Net book value								
At 01 April 2023	--	--	--	5,522	--	--	93,730	99,252
At 31 March 2024	50,114,946	128,493	41,907,165	17,665	2,858,038	361,304	678,433	96,066,044
At 31 March 2025	48,583,439	118,240	39,944,263	29,524	2,700,633	432,669	863,000	92,671,768



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Notes to the Financial Statements For The Year Ended 31 March 2025

Building and all movable assets

Building and all movable assets are subject to first preferred mortgage over usufruct rights to secure Establishment's bank loan.

Vehicles

Vehicle with a carrying amount of AED 478,121 (2024: 116,624) are subject to a first charge to secure 4 (2024: 1) of the Establishment's bank loans.

Plant and machinery

Plant and machinery are subject to registered charge to secure Establishment's bank loan.

Plant and machinery received under license agreement

In 2024, the Establishment acquired plant and machinery under a licensing agreement with SQIP LLC (United States of America) and Veegoo Technology Co. Ltd. (China) In accordance with the terms of the agreement, the plant and machinery were provided at free of cost to the Establishment and have been recorded in the financial statements at a nominal value of AED 0.01.

Under the licensing terms, the Establishment is required to remit royalties based on the profits generated from the sale of products produced using the licensed plant and machinery. Specifically:

- 49% of the profit share is payable to SQIP LLC, and
- 2% of the profit share is payable to Veegoo Technology Co. Ltd.

16. Capital work in progress

	AED
As at 01 April 2023	55,744,090
Additions during the period	25,731,932
Transferred to property plant and equipment during the period	(81,424,074)
As at 31 March 2024	51,948
Additions during the period	17,697
Transferred to property plant and equipment during the period	(69,645)
As at 31 March 2025	--

17. Leases

Establishment as a lessee

The Establishment has a lease contract for land on which the factory and the office building are constructed. Leases of land have a lease term of 20 years. The Establishment's obligations under its leases are secured by the lessor's title to the leased assets.

Set out below is the carrying amount of right-of-use assets recognised and the movements during the year:

	Total AED
As at 01 April 2023	18,454,804
Additions	437,442
Depreciation capitalised to CWIP during the year	(895,783)
Depreciation expense	(143,662)
As at 31 March 2024	17,852,801



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Notes to the Financial Statements For The Year Ended 31 March 2025

Additions	--
Depreciation expense	(1,005,636)
As at 31 March 2025	16,847,165

Set out below are the carrying amount of lease liabilities and the movements during the period:

	2025	2024
	AED	AED
As at 1 April	20,878,645	20,020,693
Additions	--	437,442
Interest capitalised to CWIP during the year	--	980,031
Accretion of interest	930,151	134,488
Payments	(1,378,017)	(694,009)
As at 31 March	20,430,779	20,878,645
Current	478,561	716,046
Non-current	19,952,218	20,162,599

The maturity analysis of lease liabilities is disclosed in note 19.

The following are the amounts recognised in profit or loss:

	2025	2024
	AED	AED
Depreciation expense of right-of-use assets	1,005,636	143,662
Interest expense on lease liabilities	930,151	134,488
Total amount recognised in profit or loss	1,935,787	278,150

18. Intangible assets

	AED
Software	
Cost or valuation	
As at 01 April 2023	--
Additions during the year	16,766
Disposals	--
As at 31 March 2024	16,766
Additions during the year	--
Disposal	--
As at 31 March 2025	16,766
Accumulated depreciation	
As at 01 April 2023	--
Charge for the year	1,330
Disposal	--
As at 31 March 2024	1,330
Charge for the year	2,650
Disposal	--
As at 31 March 2025	3,980



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Notes to the Financial Statements

For The Year Ended 31 March 2025

Net book value

At 01 April 2023

--

At 31 March 2024

15,436

At 31 March 2025

12,786

19. Financial assets and financial liabilities

19.1 Financial assets

	2025 AED	2024 AED
Financial assets at amortised cost		
Other non-current financial asset	233,599	249,674
Other non-current assets	733,105	--
Trade receivables	40,021,072	25,791,983
Cash and cash equivalents	424,452	1,667,928
Bank balances other than cash and cash equivalents	1,771,043	--
Loans and advances	89,526	--
Other current financial assets	61,605	--
Other current assets	1,712,261	--
Total financial assets	45,046,663	27,709,585
Total current	44,079,959	27,459,911
Total non-current	966,704	249,674

19.2 Financial liabilities: Interest-bearing loans and borrowings

	Interest rate	Maturity	2025 AED	2024 AED
Current interest bearing loans and borrowings				
Lease liabilities	4.5%	31 March 2026	478,561	716,046
Bill discounting facility from National Bank of Umm Al Quwain (NBQ)	3 Month EIBOR + 2.50% pa. subject to a minimum of 5.50% pa.	April 2025 to July 2025	5,387,057	--
Trust receipts loan from NBQ	3 Month EIBOR + 2.50% pa. subject to a minimum of 5.50% pa.	April 2025 to August 2025	7,906,541	--
Total current interest-bearing loans and borrowings			13,772,159	716,046
Non-current interest-bearing loans and borrowings				
Lease liabilities	4.5%	14 September 2041	19,952,218	20,162,599



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Notes to the Financial Statements

For The Year Ended 31 March 2025

Loan from HDFC Bank	SOFR+ Spread mutually agreed	1 August 2029	21,048,953	15,380,582
Loan from Kotak Bank	SOFR+ Spread mutually agreed	September 2028	6,212,693	7,987,747
Loan from NBQ	3 Month EIBOR + 2.50% pa subject to a minimum of 5.50% pa.	21 October 2029	3,364,119	--
AED 69,699 Loan from Emirates NBD Bank	7.27%	28 September 2027	58,380	--
AED 69,699 Loan from Emirates NBD Bank	7.26%	28 September 2027	58,380	--
AED 141,750 Loan from Emirates NBD Bank	7.03%	20 September 2027	131,074	--
AED 57,510 Loan from Emirates NBD Bank	7.36%	20 January 2028	54,279	--
AED 90,000 Loan from Bank of Baroda (BOB)	3.25% (Flat rate)	18 July 2027	52,500	75,000
Loan from Parent company	SOFR+ 2% pa	23 June 2029	13,948,953	13,115,350
Loan from Parent company IPO Fund	SOFR+ 2% pa	04 May 2030	45,379,133	45,329,921
Loan from Parent company Warrant Fund	SOFR+ 2% pa	21 December 2030	23,286,528	18,908,908
Total non-current interest-bearing loans and borrowings			133,547,210	120,960,107
Total interest-bearing loans and borrowings			147,319,369	121,676,153

Loans and borrowings from National Bank of Umm Al Quwain (NBQ)

The loans and borrowings from NBQ is secured by the following securities:

- First preferred right over usufruct rights of the building and all the movable assets together with assignment of insurance thereon, in favor of NBQ over the Plot No. S50902, Jebel Ali Free Zone (JAFZA), Dubai ("Property") leases by the borrower.
- Lien over the deposit balances with NBQ.
- Registered charge of hypothecation over inventory, machinery and assignment of receivables in favor of NBQ.

The loans and borrowings from NBQ are subject to financial covenants that requires the Establishment to retain minimum 50% of the profit in the business and also to maintain the leverage ratio below 1.5 times.



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For The Year Ended 31 March 2025

Loan from HDFC Bank

The loan from HDFC Bank Gift City Branch is secured by an SBLC issued by HDFC Bank through Global Surfaces Ltd. (Parent company)

Loan from Kotak Bank

The loan from Kotak Bank Gift City Branch is secured by an SBLC issued by Kotak Bank through Global Surfaces Ltd. (Parent company)

Loans from Emirates NBD Bank

The Establishment has borrowed vehicle loans from Emirates NBD Bank. These loans are subject to a first charge over Establishment's vehicles with carrying amount of AED 361,498 (2024: Nil).

Loan from Bank of Baroda (BOB)

The Establishment has borrowed vehicle loan from BOB. This loan is subject to a first charge over Establishment's vehicle with carrying amount of AED 116,624 (2024: 116,624).

Loan from Parent company

The Establishment has borrowed unsecured loan from Parent company.

Other financial liabilities

	2025 AED	2024 AED
Other financial liabilities at amortised cost, other than interest-bearing loans and borrowings		
Trade payables	9,507,149	5,878,307
Other financial liabilities	12,015,350	8,749,898
Other current liabilities	4,106,066	--
Total other financial liabilities	25,628,565	14,628,205
Total current	25,628,565	14,628,205
Total non-current	--	--

19.3 Fair values

Set out below is a comparison, by class, of the carrying amounts and fair values of the Establishment's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	2025		2024	
	Carrying amount	Fair value	Carrying amount	Fair value
	AED	AED	AED	AED
Financial assets				
Other financial asset	233,599	233,599	249,674	249,674
Other non-current assets	733,105	733,105	--	--
Trade receivables	40,021,072	40,021,072	25,791,983	25,791,983
Cash and cash equivalents	424,452	424,452	1,667,928	1,667,928
Bank balances other than cash and cash equivalents	1,771,043	1,771,043	--	--
Loans and advances	89,526	89,526	--	--
Other current financial assets	61,605	61,605	--	--



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Notes to the Financial Statements For The Year Ended 31 March 2025

Other current assets	1,712,261	1,712,261	--	--
Total	45,046,663	45,046,663	27,709,585	27,709,585
Financial liabilities				
Lease liabilities	20,430,779	20,430,779	20,878,645	20,878,645
Borrowings	126,886,884	126,886,884	102,497,916	102,497,916
Trade payables	9,507,149	9,507,149	5,878,307	5,878,307
Other financial liabilities	12,015,350	12,015,350	8,749,899	8,749,899
Other current liabilities	4,106,066	4,106,066	--	--
Total	172,946,228	172,946,228	138,004,767	138,004,767

Management assessed that the fair values of security deposit, advances, trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, loans and advances, lease liabilities, borrowings, trade payables, other financial liabilities and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

19.4 Financial instruments risk management objectives and policies

The Establishment's principal financial liabilities comprise lease liabilities, borrowings, trade payables, other financial liabilities and other current liabilities. The main purpose of these financial liabilities is to finance the Establishment's operations. The Establishment's principal financial assets include security deposit, advances, trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, loans and advances that derive directly from its operations.

The Establishment is exposed to market risk, credit risk and liquidity risk. The Establishment's senior management oversees the management of these risks. The Establishment's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Establishment.

The financial risk committee provides assurance to the Establishment's senior management that the Establishment's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Establishment's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the changes in market prices, such as foreign currency exchange rates, interest rates and prices, will affect the Establishment's income or the value of it holding of financial instrument. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the returns.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Establishment's exposure to the risk of changes in market interest rates relates primarily to the Establishment's long-term debt obligations with floating interest rates.

The Establishment manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

At the reporting date, if interest rates had been 1% higher or lower, interest expenses on variable rate debt would have been AED 1,331,785 higher or lower (previous year AED 327,034) resulting in equity being lower or higher by AED 1,331,785 (previous year AED 327,034).



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Notes to the Financial Statements For The Year Ended 31 March 2025

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Establishment's exposure to the risk of changes in foreign exchange rates relates primarily to the Establishment's operating activities (when revenue or expense is denominated in a foreign currency).

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Establishment is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by each business unit subject to the Establishment's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. At 31 March 2025, the Establishment had 1 customer (2024: 1) that owed it more than AED 20,000,000 each and accounted for approximately 50% (2024: 95%) of all the receivables and contract assets outstanding.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Establishment has obtained bill discounting facility against the receivable balances. As at 31 March 2025 the balance of discounting facility is AED 5,387,057.

The Establishment evaluates the concentration of risk with respect to trade receivables, as its customers are located in several jurisdictions and industries and operate in largely independent markets.



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Notes to the Financial Statements For The Year Ended 31 March 2025

Set out below is the information about the credit risk exposure on the Establishment's trade receivables and contract assets using a provision matrix:

31 March 2025

	Less than 6 months	6 months – 1 year	More than 1 year	Total
	AED	AED	AED	AED
Expected credit loss rate	--	--	20%	20%
Estimated total gross carrying amount at default	--	--	367,323	367,323
Expected credit loss	--	--	73,465	73,465

31 March 2024

	Less than 6 months	6 months – 1 year	More than 1 year	Total
	AED	AED	AED	AED
Expected credit loss rate	--	--	--	--
Estimated total gross carrying amount at default	--	--	--	--
Expected credit loss	--	--	--	--

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Establishment's treasury department in accordance with the Establishment's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Establishment's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Establishment's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The Establishment's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2025 and 2024 is the carrying amounts as illustrated in Note 19.1.

Liquidity risk

Liquidity risk is the risk that the Establishment may encounter difficulty in meeting financial obligations due to shortage of funds. The Establishment's exposure to liquidity risk arise primarily from mismatches of the maturities of financial assets and financial liabilities.

The Establishment's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Establishment's reputation. The Establishment manages liquidity risk by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.



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Notes to the Financial Statements For The Year Ended 31 March 2025

The table below summarise the maturities of the Establishment's undiscounted financial liabilities at the reporting date, based on the contractual payment dates and current market interest rates:

Year ended 31 March 2025	Less than 1 year	More than 1 years	Total
	AED	AED	AED
Lease liabilities	478,561	19,952,218	20,430,779
Borrowings	20,633,070	106,253,814	126,886,884
Trade payables	9,507,149	--	9,507,149
Other financial liabilities	12,015,350	--	12,015,350
Other current liabilities	4,106,066	--	4,106,066
	<u>46,740,196</u>	<u>126,206,032</u>	<u>172,946,228</u>

Year ended 31 March 2024	Less than 1 year	More than 1 years	Total
	AED	AED	AED
Lease liabilities	1,388,017	28,408,743	29,796,760
Borrowings	3,884,149	98,613,767	102,497,916
Trade payables	5,878,307	--	5,878,307
Other financial liabilities	8,749,899	--	8,749,899
	<u>19,900,372</u>	<u>127,022,510</u>	<u>146,922,882</u>

20. Other financial assets

	2025	2024
	AED	AED
Security deposit	<u>233,599</u>	<u>249,674</u>

21. Other non – current assets

	2025	2024
	AED	AED
Capital advances	<u>733,105</u>	<u>--</u>

22. Inventories

	2025	2024
	AED	AED
Raw material	4,306,389	2,100,653
Work-in-progress	1,263	241,062
Finished goods	7,342,658	2,460,010
Goods in transit	--	27,424
Consumables	2,566,335	2,366,322
	<u>14,216,645</u>	<u>7,195,471</u>



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Notes to the Financial Statements For The Year Ended 31 March 2025

23. Trade receivables

	2025	2024
	AED	AED
Receivables from related parties	2,486,611	--
Other receivables	37,607,926	25,791,983
Less: loss allowance	(73,465)	--
	<u>40,021,072</u>	<u>25,791,983</u>

24. Cash and cash equivalents

	2025	2024
	AED	AED
Current accounts	401,667	1,664,830
Cash in hand	22,785	3,098
	<u>424,452</u>	<u>1,667,928</u>

25. Bank balances other than (b) above

	2025	2024
	AED	AED
Margin deposit *	<u>1,771,043</u>	<u>--</u>

* Lien has been marked against the deposit balances for the bill discounting facilities obtained from NBQ.

26. Loans and advances

	2025	2024
	AED	AED
Staff loans	<u>89,526</u>	<u>--</u>

27. Other financial assets

	2025	2024
	AED	AED
Security deposits	57,835	--
Other receivables	3,770	--
	<u>61,605</u>	<u>--</u>

28. Other current assets

	2025	2024
	AED	AED
Balance with government authorities	347,008	656,598
Advance to suppliers	1,852,780	--
Prepaid expenses	493,167	520,051
	<u>2,692,955</u>	<u>1,176,649</u>

29. SHARE CAPITAL

	2025	2024
	AED	AED
Issued and paid up:		
96,249 shares of AED 100 each	<u>9,624,900</u>	<u>9,624,900</u>



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Notes to the Financial Statements For The Year Ended 31 March 2025

The shareholders and their interest in the share capital of the Establishment are as follows:

Name of shareholders	No. of shares	Percentage Holding	AED
Global Surfaces Limited	96,249	100%	9,624,900

30. Borrowings

	2025 AED	2024 AED
Term loans from bank	30,625,766	23,368,331
Vehicle loans from bank and financial institutions	352,904	75,000
Unsecured loan from body corporates	82,614,614	77,354,179
Less: Current maturities of non-current borrowings	(9,270,321)	(2,183,743)
	<u>104,322,963</u>	<u>98,613,767</u>

31. Lease liabilities

	2025 AED	2024 AED
Lease liabilities on right to use asset	20,430,779	20,878,645
Less: Current maturities	(479,566)	(716,046)
	<u>19,951,213</u>	<u>20,162,599</u>

32. Provisions

	2025 AED	2024 AED
Provision for gratuity	155,716	--
Provision for compensated absences	187,548	--
Less: Current maturities	(86,359)	--
	<u>256,905</u>	<u>--</u>

33. Borrowings

	2025 AED	2024 AED
Cash credit/ working capital revolving facility	13,293,600	--
Packing credit facility	--	1,700,406
Current maturities of non-current borrowings	9,270,321	(2,183,743)
	<u>22,563,921</u>	<u>3,884,149</u>

34. Trade payables

	2025 AED	2024 AED
Trade payables	9,507,149	5,878,307



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Notes to the Financial Statements For The Year Ended 31 March 2025

35. Other financial liabilities

	2025	2024
	AED	AED
Interest accrued on borrowings	6,673,970	4,203,963
Employee benefits payables	459,980	307,431
Other financial liabilities	4,881,400	4,238,504
	<u>12,015,350</u>	<u>8,749,898</u>

36. Other current liabilities

	2025	2024
	AED	AED
Advances from customers	4,106,066	--

37. Related party disclosures

The Establishment enters into transactions with entities that fall within the definition of a related party as contained in International Accounting Standard 24. The management considers such transactions to be in the normal course of business and are at prices determined by the management.

Related parties comprise of Parent Company, companies under common ownership/ management control and key management personnel.

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

	Nature of relationship	Total 2025	Total 2024
Employee benefits payables			
Mayanak Shah	Director	24,126	396,127
Ashish Kumar Kachawa	Director	9,600	
Sudarshan Kumble	Key managerial personnel	29,900	--
Advance from Customer			
Global Surfaces INC	Companies under common ownership	4,077,961	--
Corporate Guarantee commission Payable			
Global Surfaces Limited	Parent company	1,301,624	559,416
Other Financial Liabilities			
Global Surfaces Limited	Parent company	3,579,777	3,602,449
Corporate Guarantee			
Global Surfaces Limited	Parent company	67,657,785	24,229,075
Trade Payables			
Global Surfaces Limited	Parent company	1,272,015	120,415



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Notes to the Financial Statements For The Year Ended 31 March 2025

Trade receivable

Global Surfaces Limited	Parent company	84,279	--
Superior Surfaces INC (Including Ansh Import LLC)	Companies under common ownership	2,402,332	--

Loans & interest payable

Global Surfaces Limited	Parent company	89,246,404	81,195,827
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At the reporting date, significant transaction with related parties were as follows:

Directors' and KMP Remuneration (including bonus, commission and PF)

Mayank Shah	Director	270,000	396,127
Ashish Kumar Kachawa	Director	57,600	57,600
Sudarshan Kumble	Key managerial personnel	358,800	358,800

Interest Expenses

Global Surfaces Limited	Parent company	5,380,533	4,183,223
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Sale including discount and Insurance

Superior Surfaces INC (Including Ansh Import LLC)	Companies under common ownership	2,255,907	329,701
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Purchase of goods

Global Surfaces Limited	Parent company	382,210	--
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Management Fees

Superior Surfaces INC (Including Ansh Import LLC)	Companies under common ownership	--	734,540
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Management Fees

Global Surfaces Limited - Bagru	Parent company	767,291	--
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Guarantee Commission Expenses

Global Surfaces Limited - Bagru	Parent company	742,170	559,454
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Sale of Property, Plant and Equipment

Global Surfaces Limited - SEZ	Parent company	--	82,942
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GLOBAL SURFACES FZE

Notes to the Financial Statements For The Year Ended 31 March 2025

38. Adoption of new Standards

Standards, amendments, improvements and interpretations effective for the current period

The following amendments, improvements and interpretations which became effective for current period, did not have any significant impact on the Establishment's financial statements:

- Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangement
- Amendments to IAS 1 Presentation of Financial Statements relating to Classification of Liabilities as Current or Non-Current
- Amendments to IAS 1 – Non-current Liabilities with Covenants
- Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback

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

The following amendments, improvements and interpretations that are assessed by management as likely to have an impact on the financial statements, have been issued by the IASB prior to the date the financial statements were authorised for issue, but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

- Amendments to IAS 21 – Lack of Exchangeability (1 January 2025)
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture. The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold to an associate or a joint venture (The IASB postponed the effective date of this amendment indefinitely - Early adoption is permitted)
- Amendments to the SASB (Sustainability Accounting Standards Board) standards to enhance their international applicability (1 January 2025)
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7) (1 January 2026)
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) (1 January 2026)
- IFRS 18 *Presentation and Disclosures in Financial Statements* (1 January 2027)
- IFRS 19 *Subsidiaries without Public Accountability: Disclosures* (1 January 2027)

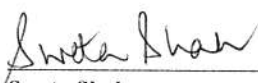
39. COMPARATIVE INFORMATION

Previous year's figures have been regrouped/reclassified wherever necessary to make them comparable to those of the current period

For, GLOBAL SURFACES FZE



Mayank Shah
Director



Sweta Shah
Director

