

ALLCARGO LOGISTICS L.L.C

FINANCIAL STATEMENTS

DECEMBER 31, 2025

ALLCARGO LOGISTICS L.L.C
Dubai - United Arab Emirates

Financial statements for the year ended December 31, 2025

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MANAGER'S REPORT

The Manager presents his report and the financial statements of Allcargo Logistics L.L.C (the "Company") for the year ended December 31, 2025.

PRINCIPAL ACTIVITIES OF THE COMPANY

The Company is licensed to provide and engages in chartering of ship, charter of barges & tugs, customs brokerage, cargo and shipping containers, loading and unloading services, cargo packaging, sea and air cargo services, and as ship chandlers and sea shipping lines agents.

FINANCIAL REVIEW

The table below summarises the financial results:

	2025 AED	2024 AED
Revenue	166,927,900	163,781,324
Gross profit	29,579,760	27,319,233
Gross profit margin	17.72%	16.68%
Profit for the year after tax	2,313,409	3,324,873

AUDITORS

A resolution to re-appoint Moore JFC MKM Chartered Accountants as auditors for the ensuing year will be proposed in the Annual General Meeting.

EVENTS AFTER THE YEAR-END

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

STATEMENT OF MANAGER'S RESPONSIBILITIES

The financial statements for the year under review have been prepared in accordance with International Financial Reporting Standards - Accounting standards (IFRS Accounting standards) and in compliance with the provisions of U.A.E. Federal Decree-Law No. 32 of 2021 on Commercial Companies (the "Federal Law"). The Manager confirms that sufficient care has been taken for the maintenance of proper and adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the Company and enable them to ensure that the financial statements comply with the requirements of the applicable statute. The Manager also confirm that appropriate accounting policies have been selected and applied consistently in order that the financial statements reflect fairly the form and substance of the transactions carried out during the year under review and reasonably present the Company's financial position and results of its operations.

The financial statements were approved by the Board and signed on its behalf by the authorised representative of the Company on March 16, 2026.

Mr. Anu George Mavunil Kunnathil Varughese Georgekutty
Manager



Ref: MOORE-AUD-AR/2026-MAR-040**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
ALLCARGO LOGISTICS L.L.C****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of **Allcargo Logistics L.L.C** (the "Company"), which comprise the statement of financial position as at December 31, 2025, the related statements of comprehensive income, cash flows and changes in equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards - Accounting standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards ("IESBA Code") together with the other ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates ("U.A.E.") and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Manager's Report set out on page 1. The other information does not include the financial statements and our independent auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, in compliance with provisions of U.A.E. Federal Decree-Law No. 32 of 2021 on Commercial companies (the "Federal Law"), and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The management is responsible for overseeing the Company's financial reporting process.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
ALLCARGO LOGISTICS L.L.C (continued)****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 ISA 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 the financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional scepticism 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 controls;
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.



**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
ALLCARGO LOGISTICS L.L.C (continued)**

Report on Other Legal and Regulatory Requirements

As required by the Federal Law, we report that:

1. we have obtained all the information and explanations necessary for the purpose of our audit;
2. the financial statements have been prepared and comply, in all material respects, with the applicable provisions of the Federal Law and the Memorandum of Association ("MOA") of the Company;
3. the Company has maintained proper books of account;
4. the financial information included in the Manager's Report is consistent with the books of account of the Company;
5. there were no investments made in shares and stock during the financial year;
6. note 9 to the financial statements reflects material related parties balances and transactions, and the terms under which they were conducted; and
7. based on the information that has been available to us, nothing has come to our attention which causes us to believe that the Company has contravened during the financial year ended December 31, 2025 any of the applicable provisions of the Federal Law or its MOA which would materially affect its financial position as at December 31, 2025 or the results of the operations for the year then ended.

MOORE MKM
Chartered Accountants L.L.C

Vijaya Kumar Subramonian
Partner
Registration No. 5732
Dubai, United Arab Emirates



March 16, 2026

ALLCARGO LOGISTICS L.L.C

Dubai - United Arab Emirates

Statement of financial position

As at December 31, 2025

	Note	2025 AED	2024 AED
ASSETS			
Current assets			
Cash and cash equivalents	6	3,712,457	6,953,557
Trade receivables and contract assets	7	35,653,653	34,655,005
Other receivables	8	11,431,982	7,179,368
Due from related parties	9.1	-	2,694,785
		<u>50,798,092</u>	<u>51,482,715</u>
Non-current assets			
Property and equipment	10	391,574	626,304
TOTAL ASSETS		<u>51,189,666</u>	<u>52,109,019</u>
LIABILITIES AND EQUITY			
Current liabilities			
Loans from related parties	9.3	45,778	1,378,951
Accounts and other payables	11	20,930,889	23,945,361
Income tax payable	19.2	197,298	294,152
		<u>21,173,965</u>	<u>25,618,464</u>
Non-current liabilities			
Loans from related parties	9.3	15,482,588	14,543,898
Employees' end-of-service benefits	12	2,321,812	2,048,765
		<u>17,804,400</u>	<u>16,592,663</u>
Total liabilities		<u>38,978,365</u>	<u>42,211,127</u>
Equity			
Share capital	2	300,000	300,000
Statutory reserve		150,000	150,000
Retained earnings		11,761,301	9,447,892
Total equity		<u>12,211,301</u>	<u>9,897,892</u>
TOTAL LIABILITIES AND EQUITY		<u>51,189,666</u>	<u>52,109,019</u>

The accompanying notes from 1 to 23 form an integral part of these financial statements.

The report of the independent auditor is set out on pages 2 to 4.

The financial statements were authorised for issue on March 16, 2026 by:

Mr. Anu George Mavunil Kunnathil Varughese Georgekutty
Manager



ALLCARGO LOGISTICS L.L.C
Dubai - United Arab Emirates

Statement of comprehensive income
For the year ended December 31, 2025

	Note	2025 AED	2024 AED
Revenue	13	166,927,900	163,781,324
Direct costs	14	(137,348,140)	(136,462,091)
Gross profit		29,579,760	27,319,233
Other income	15	556,142	1,164,969
Allowance for expected credit losses of trade receivables	7.5	(323,887)	(374,727)
General and administrative expenses	16	(26,561,800)	(23,768,745)
Selling and marketing expenses	17	(123,594)	(23,339)
Finance costs	18	(615,914)	(698,366)
Profit for the year before tax		2,510,707	3,619,025
Income tax expense	19	(197,298)	(294,152)
Profit for the year after tax		2,313,409	3,324,873
Other comprehensive income		-	-
Total comprehensive income for the year		2,313,409	3,324,873

The accompanying notes from 1 to 23 form an integral part of these financial statements.

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ALLCARGO LOGISTICS L.L.C

Dubai - United Arab Emirates

Statement of cash flows

For the year ended December 31, 2025

	Note	2025 AED	2024 AED
Cash flows from operating activities			
Profit for the year before taxation		2,510,707	3,619,025
Adjustments for:			
Allowance for expected credit losses of trade receivables	7.5	323,887	374,727
(Reversal) of allowance for expected credit losses of trade receivables	7.5	(102,698)	-
Provision for employees' end-of-service benefits	12	572,707	713,864
Depreciation of property and equipment	16	328,263	317,066
Finance costs	18	615,914	698,366
Liability written back	15	(49,883)	(720,413)
Operating income before working capital changes		4,198,897	5,002,635
Changes in:			
-Trade receivables and contract assets		(1,202,832)	(6,997,043)
- Other receivables		(4,252,614)	(853,471)
- Related parties balances, net		2,694,785	331,805
- Accounts and other payables		(2,964,589)	3,829,562
Cash (used in)/generated from operations		<u>(1,526,353)</u>	<u>1,313,488</u>
Corporate income tax paid	19.3	(294,152)	-
Employees' end-of-service benefits paid	12	(316,665)	(127,962)
Net cash (used in)/generated from operating activities		<u>(2,137,170)</u>	<u>1,185,527</u>
Cash flows from investing activities			
Acquisition of property and equipment	10.1	(93,533)	(68,344)
Net cash (used in) investing activities		<u>(93,533)</u>	<u>(68,344)</u>
Cash flows from financing activities			
Movement in loan from related parties, net		(394,483)	576,358
Interest settled through netting arrangements	9.4	(615,914)	(122,008)
Net cash (used in)/generated from financing activities		<u>(1,010,397)</u>	<u>454,350</u>
Net (decrease)/increase in cash and cash equivalents		<u>(3,241,100)</u>	<u>1,571,533</u>
Cash and cash equivalents at the beginning of the year		6,953,557	5,382,024
Cash and cash equivalents at the end of the year	6	<u><u>3,712,457</u></u>	<u><u>6,953,557</u></u>
Non-cash transactions:			
Net finance costs charged by related parties and credited to loans from related parties	9.4	615,914	576,358
Transfer of employees' end-of-service balance from related party	12	17,005	10,216

The accompanying notes from 1 to 23 form an integral part of these financial statements.

The report of the independent auditor is set out on pages 2 to 4.



ALLCARGO LOGISTICS L.L.C

Dubai - United Arab Emirates

Statement of changes in equity

For the year ended December 31, 2025

	Share capital AED	Statutory reserve AED	Retained earnings AED	Total AED
As at January 1, 2024	300,000	150,000	6,123,019	6,573,019
Total comprehensive income for the year	-	-	3,324,873	3,324,873
As at December 31, 2024	300,000	150,000	9,447,892	9,897,892
Total comprehensive income for the year	-	-	2,313,409	2,313,409
As at December 31, 2025	300,000	150,000	11,761,301	12,211,301

The accompanying notes from 1 to 23 form an integral part of these financial statements.

The report of the independent auditor is set out on pages 2 to 4.



Notes to the financial statements
For the year ended December 31, 2025

- a) Allcargo Logistics L.L.C (the "Company") was incorporated on October 19, 2014 and registered with the Department of Economic Development (now Dubai Economy and Tourism), Government of Dubai, United Arab Emirates ("U.A.E.") as a Limited Liability Company and operates under Commercial License No. 719116. The current license is valid until October 18, 2026.
- b) The Company operates through three registered branches located in the Emirates of Sharjah, Ras Al Khaimah ("RAK"), and Ajman. The Sharjah branch was established on June 13, 2018, and is licensed under Trade License No. 19680 issued by the Sharjah Airport International Free Zone Authority ("SAIF Zone Authority"). The license is valid until June 12, 2026. The RAK branch was established on January 19, 2023, and operates under License No. 47007700 issued by the Ras Al Khaimah Economic Zone ("RAKEZ"), valid until January 18, 2026. The Ajman branch was established on March 18, 2025, and operates under License No. 39543 issued by the Ajman Free Zones Authority ("FZA"), valid until March 17, 2026. These financial statements include the financial position and financial performance of the Company together with its Branches, as they operate under the common ownership, management, and control of Allcargo Logistics L.L.C.
- c) The Company is licensed to provide and engages in chartering of ship and barges & tugs, customs brokerage, cargo and shipping containers, loading and unloading services, cargo packaging, sea and air cargo services, and as ship chandlers and sea shipping lines agents.
- d) The Registered Office of the Company is P.O. Box No. 50447, Dubai, U.A.E.
- e) The management of the Company is vested with Mr. Anu George Mavunil Kunnathil Varughese Georgekutty (Indian National), the Manager.
- f) The Company is part of the ECU Group of Companies, and the Ultimate Parent Company is Allcargo Logistics Ltd. The Ultimate Beneficial Owner is Mr. Shashi Kiran Shetty (Indian National).

Name of the Shareholder	Nationality/ country of incorporation	No. of Shares	Amount AED	% of shareholding
ECU Hold N.V.	Belgium	147	147,000	49
Abdulhamid Mohammed Abdulrahim Duwaya - Sponsor	Emirati	153	153,000	51
Total		300	300,000	100

These financial statements have been prepared in accordance with the historical cost convention and accruals basis.



3 BASIS FOR PREPARATION (continued)

c) Functional and presentation currency

The financial statements are prepared in United Arab Emirates Dirhams "AED" which is also the Company's functional currency.

d) Changes in accounting policies

The accounting policies adopted are consistent with those used in the previous financial year, except for the following new standards, improvements, interpretations and amendments to IFRS Accounting Standards that are mandatorily effective for accounting years of the Company beginning on or after January 1, 2025:

New Standards, Improvements, Interpretations and Amendments issued

- Amendment to IAS 21 Lack of Exchangeability (The Effects of Changes in Foreign Exchange Rates)

The adoption of these new standards, improvements, interpretations, and amendments did not have any material impact on the Company's financial statements for the year ended December 31, 2025.

New Standards, Improvements, Interpretations and Amendments issued but not yet effective

The following new accounting standards, improvements, interpretations, and amendments have been issued at the reporting date, but are not mandatory until accounting periods commencing on or after the dates shown and hence have not been early adopted by the Company in preparing the financial statements for the year ended December 31, 2025.

- | | |
|--|---|
| • IFRS 18 | Presentation and Disclosures in Financial Statements (January 1, 2027) |
| • IFRS 19 | Subsidiaries without Public Accountability: Disclosures (January 1, 2027) |
| • Annual Improvements to IFRS Accounting Standards | Volume 11 (January 1, 2026) |
| • Amendments to IFRS 9 and IFRS 7 | Amendments to the Classification and Measurement of Financial Instruments (January 1, 2026) |
| • Amendments to IFRS 9 and IFRS 7 | Contracts Referencing Nature-dependent Electricity (January 1, 2026) |
| • Amendments to IFRS 19 | Subsidiaries without Public Accountability: Disclosures (January 1, 2027) |
| • Amendments to IAS 21 | Translation to a Hyperinflationary Presentation Currency (January 1, 2027) |

All of the above standards, improvements, interpretations and amendments will be adopted by the Company to the extent applicable from their effective dates. The adoption of these standards, improvements, interpretations, and amendments is not expected to have a material impact on the financial statements of the Company in the period of their initial application.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES

Summary of material accounting policies is mentioned below.

a) Financial instruments

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

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

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

a) Financial instruments (continued)

- amortised cost;
- fair value through profit or loss (FVTPL); and
- fair value through other comprehensive income (FVOCI).

The above classification is determined by both:

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

Financial assets at amortised cost

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

- they are held within a business model whose objective is to hold the financial assets and collect their contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest rate method.

The Company's cash at banks and cash equivalents, trade receivables and contract assets, other receivables (excluding deferred charges, advances to suppliers, prepaid expenses, VAT recoverable (net), and staff advances) and due from related parties fall into this category of financial instruments.

Financial liabilities at amortised cost

All financial liabilities are measured at amortised cost using the effective interest rate method. The Company's accounts and other payables (excluding advance from customers) and loans from related parties fall into this category of financial instruments.

b) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and balances with banks.

c) Trade receivables

The Company acts primarily as an agent, earning commissions and records invoices to customers at gross value. Hence trade receivables are stated gross at original invoice amount less the ECL as per IFRS 9. Bad debts are written off when there is no possibility of recovery.

The Company makes use of a simplified approach in accounting for trade receivables and records the loss allowance as lifetime ECLs. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating the provision, the Company uses its historical experience, external indicators and forward-looking information to calculate the ECLs using a provision matrix.

The Company assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics, and they have been grouped based on the days past due (refer to note 7 for an analysis of how the impairment requirements of IFRS 9 are applied).

d) Other receivables

Other receivables consist of deposits, deferred charges, advances to suppliers, prepaid expenses, VAT recoverable (net), staff advances and others. These are carried at amounts expected to be received whether through cash or services less provision for any uncollectible amounts as per the ECL model.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

d) Other receivables (continued)

Deferred charges are costs that have already been incurred for shipments/services in process that will be charged as an expense in a later reporting period, as and when the performance obligations are met.

Advances to suppliers pertain to monies paid in advance against which goods or services are yet to be received as at the reporting date.

e) Related parties' balances and transactions

The Company, in the ordinary course of business, enters into transactions with companies and entities that fall within the definition of a related party as contained in IFRS Accounting Standards. Related parties comprise the shareholders, companies and entities under common or joint ownership or common management and control and key management personnel.

Related parties' balances are assessed for non-collectability as per the ECL model.

Loan from related parties and due from/to related parties are classified as current assets/liabilities unless there is a formal agreement in place to defer collection/repayment for a period in excess of 12 months, in which case the amount collectible/repayable after 12 months as at the reporting date is classified as non-current assets/liabilities.

f) Impairment of financial assets

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

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

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ("Stage 1");
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ("Stage 2"); and
- financial instruments that have objective evidence of impairment at the reporting date ("Stage 3").

"12-month ECLs" are recognised for the first category while "lifetime ECLs" are recognised for the second category.

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

Notwithstanding the above provisions, the Company applies the IFRS 9 simplified approach in accounting for accounts receivable, as these items do not contain a significant financing component in accordance with IFRS 15 and records the loss allowance at an amount equal to lifetime ECLs.

g) Offsetting of financial assets and liabilities

Financial assets and liabilities are offset, and the net amount is reported in the statement of financial position, if the Company has a legally enforceable right to set off the recognised amounts, and the Company either intends to settle on a net basis or realise the asset and settle the liability simultaneously.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

h) Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition and bringing of the asset to its working condition. 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 item will flow to the Company and the cost of the item can be measured reliably.

When a part is replaced, and the new part capitalised, the carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are recognised in the statement of comprehensive income during the financial year in which they are incurred.

Depreciation of assets is calculated using the straight-line method to allocate their cost less their residual values, if any, over their estimated useful lives as follows:

<u>Assets</u>	<u>Years</u>
Computer equipment	3
Furniture and fixtures	4
Office equipment	4
Motor vehicles	4

Depreciation is charged from the date an asset is available for use up to the date the asset is disposed of.

An item of property and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or following disposal. Any gain or loss arising on 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 comprehensive income when the asset is derecognised.

The estimated useful lives and residual values are reviewed at each year end, with the effect of any change in estimates accounted for on a prospective basis.

i) Impairment of non-financial assets

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

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used.

j) Accounts payables

Liabilities are recognised gross for amounts to be paid to the supplier for goods or services received, whether claimed by the supplier or not.

k) Other payables

Other payables consist of accrued expenses - import and export and advances from customers.

Advance from customers refers to payments received in advance for services which have not yet been performed at the reporting date.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k) Other payables (continued)

Accrued expenses - import and export are the cost of goods or services received or incurred during a period for which the suppliers' invoices have not been received as at the reporting date.

l) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, 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. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

m) Employees' end-of-service benefits

Provision is made for end-of-service benefits of employees in accordance with U.A.E. Labour Law. The provision for the employees' end-of-service benefits liability is calculated annually based on their current basic remuneration and length of service at the reporting date.

n) Statutory reserve

As required by the Federal Law, 5% (previously 10%) of the profit for the year is required to be transferred to a statutory reserve until such reserve equals 50% of the paid-up share capital of the Company. Having attained this limit, transfers have ceased. This reserve is not available for distribution to the Shareholders.

o) Contingent liabilities

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

p) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, excluding taxes or duties.

To determine whether to recognise revenue, the Company follows a 5-step process as per IFRS 15:

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

The Company assesses each of its contracts with customers to determine the appropriate method of recognising revenue. The Company generates revenue from services as a customs broker, cargo loading and unloading, cargo packaging, sea cargo, air cargo, and sea shipping lines agent, distribution and logistics, all of which are recognised on execution of orders of customers and agents. These are all at a point in time.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as current liabilities in these financial statements. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

p) Revenue recognition (continued)

The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as a principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

Other income mainly relates to rebates received from various suppliers during the year.

q) Expenses

Direct costs include all costs directly attributable to the generation of revenue and include exports, imports documentation, freight charges, and other direct costs. All other expenses are classified as general and administrative expenses, selling and marketing expenses, allowance for expected credit losses on trade receivables or finance costs, as appropriate.

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

r) Foreign currency transactions and translations

Foreign currency transactions are translated into AED using the exchange rate prevailing on the date of transaction. Monetary assets and liabilities, denominated in foreign currencies, are translated into AED using the exchange rates prevailing on the reporting date. Gains and losses from foreign exchange transactions are taken to the statement of comprehensive income.

s) Current vs non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification

An asset is classified as current when it is:

- expected to be realised or intended to be sold or consumed in the normal operation cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting date; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability is classified as 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 date; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as non-current.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

t) Taxation

Income taxes have been provided for in the financial statement in accordance with legislation enacted or substantively enacted by the end of the reporting year. The income tax charge comprises current tax and deferred tax and is recognised in profit or loss for the year, except if it is recognised in other comprehensive income or directly in equity because it relates to transactions that are also recognised, in the same or a different period, in other comprehensive income or directly in equity.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax asset and liability is offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of asset and liability. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax asset and liability is reviewed at each reporting date and is reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the profitability of future taxable profits improves.

Unrecognised deferred tax assets and liability is reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates enacted or substantively enacted at the end of the reporting period, which are expected to apply to the period when the temporary differences will reverse, or the tax loss carry forwards will be utilised.

Deferred tax asset and liability is offset when there is a legally enforceable right to offset current tax asset against current tax liability and when the deferred tax asset and liability relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

5 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are as follows:

i) Provision for ECLs on financial assets

An allowance against trade receivables is recognised as per IFRS 9 considering the pattern of receipts from, and the future financial outlook of, the concerned customers. In measuring the ECLs, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the credit period and the days past due. The percentage for the ECL is reviewed by the management on a regular basis.

Assessment of impairment of cash at banks and other receivables (excluding deferred charges, advances to suppliers, prepaid expenses, VAT recoverable (net), and staff advances), are made in line with IFRS 9. This assessment is reviewed by management on a regular basis. The Company deals with reputable banks to limit its credit risk with respect to cash at banks. Other receivables carry minimal credit risk.

5 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

ii) Useful lives and residual values of property and equipment

The Company reviews the useful lives and residual values of property and equipment on a regular basis. Any change in estimates may affect the carrying amounts of the respective items of property and equipment, with a corresponding effect on the related depreciation charge.

iii) Satisfaction of performance obligations under IFRS 15 “Revenue from Contracts with Customers”

The Company assesses each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time to determine the appropriate method of revenue recognition. The Company recognises revenue at a point of time when the performance obligations are satisfied following the 5-step process as per IFRS 15. The Company reviews the nature of transactions to determine whether it is acting as a principal or as an agent in the transactions, and records revenues and costs accordingly.

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6	CASH AND CASH EQUIVALENTS	2025	2024
		AED	AED
	Cash in hand	300	3,190
	Cash at banks	3,712,157	6,950,367
		<u>3,712,457</u>	<u>6,953,557</u>
7	TRADE RECEIVABLES AND CONTRACT ASSETS	2025	2024
		AED	AED
	Trade receivables - third parties	31,863,748	31,340,751
	Trade receivables - related parties (note 9.1)	1,223,967	1,454,964
		<u>33,087,715</u>	<u>32,795,715</u>
	Contract assets	3,925,215	2,997,378
	Less: Allowance for expected credit losses on trade receivables (notes 7.4 and 7.5)	<u>(1,359,277)</u>	<u>(1,138,088)</u>
	Trade receivables, net	<u>35,653,653</u>	<u>34,655,005</u>

7.1 Trade receivables are non-interest bearing and are generally on 90 days credit terms, after which date trade receivables are considered to be past due. It is not the practice of the Company to obtain collateral over these trade receivables and therefore the vast majority of these receivables are unsecured.

7.2 Contact assets are accrued revenue for which services have been provided but invoices are yet to be issued.

7.3 As at the reporting date, the ageing analysis of trade receivables was as follows:

		Not past due	Past due			
		0 - 90	91 - 120	121 - 180	>180	
	Total	days	days	days	days	
	AED	AED	AED	AED	AED	
2025	33,087,715	29,171,615	2,096,263	686,443	1,133,394	
2024	32,795,715	28,613,433	2,306,957	794,597	1,080,728	

7.4 Expected credit losses as per IFRS 9

The Company applies the IFRS 9 simplified model of recognising lifetime ECL for all trade receivable as these items do not have a significant financing component.

In measuring the ECL, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

The expected loss rates are based on the payment profile for customers as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forward-looking macroeconomic factors affecting the customer's ability to settle the amount outstanding.

Trade receivables are written off (i.e. derecognised) when there is no reasonable expectation of recovery. Failure to make payments within the credit period and failure to engage with the Company on alternative payment arrangements amongst others are considered indicators of no reasonable expectation of recovery.



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7 TRADE RECEIVABLES AND CONTRACT ASSETS (continued)

7.5 The movement in allowance of expected credit losses for trade receivables is as follows:

	2025	2024
	AED	AED
Balance as at the beginning of the year	1,138,088	763,361
Provision for the year	323,887	374,727
Reversal during the year	(102,698)	-
Balance as at the end of the year	<u>1,359,277</u>	<u>1,138,088</u>

8 OTHER RECEIVABLES

	2025	2024
	AED	AED
Deposits (note 8.1)	8,241,924	3,614,996
Deferred charges (note 8.2)	1,327,700	1,163,874
Advances to suppliers	685,457	685,941
Prepaid expenses	534,673	940,386
VAT recoverable, net	392,541	541,589
Staff advances	111,336	103,241
Others	138,351	129,341
	<u>11,431,982</u>	<u>7,179,368</u>

8.1 The deposits include AED 1,500,000 (2024: AED 1,100,000) for Dubai Custom Authority and Nil (2024: AED 92,000) for International Air Transport Association, as guarantees margins held under lien with a bank, in lieu of payment guarantees issued by the bank (note 20.2).

8.2 Deferred charges are costs incurred for ongoing projects which will be invoiced when the performance obligations are met.

9 RELATED PARTIES BALANCES AND TRANSACTIONS

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

9.1	Due from related parties	Relationship	2025	2024
			AED	AED
	Allcargo Logistics FZE, U.A.E.	Fellow subsidiary	-	2,694,785
	Due from related parties balances included in trade receivable (note 7)	Common control	<u>1,223,967</u>	<u>1,454,964</u>

9.2	Due to related parties	Relationship	2025	2024
			AED	AED
	Due to related parties balances included in accounts payable (note 11)	Common control	<u>2,049,042</u>	<u>4,399,836</u>

The due to related parties are interest-free and with no set terms of repayment or security.

9.3	Loans from related parties	Relationship	2025	2024
			AED	AED
	ECU Hold N.V., Belgium (a)	Shareholder	5,983,989	5,066,959
	Ecuhold N.V. (Jebel Ali Branch), U.A.E (b)	Fellow subsidiary	<u>9,544,377</u>	<u>10,855,890</u>
			<u>15,528,366</u>	<u>15,922,849</u>



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9 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

9.3	Loans from related parties (continued)	2025 AED	2024 AED
	Current portion	45,778	1,378,951
	Non-current portion	15,482,588	14,543,898
		<u>15,528,366</u>	<u>15,922,849</u>

(a) The Company has committed to repay the interest on a monthly basis against invoices issued by the Shareholder. The loans from the Shareholder are unsecured and are for long term period with no fixed repayment schedule, and are repayable on the business performance of the borrower, carrying interest rates of 6% (2024: 6% per annum) and 2% per annum, (2024: 2% per annum).

(b) The loan from the fellow subsidiary is unsecured and is repayable on demand, with no fixed repayment schedule and carry interest of 5.5% per annum (2024: 6.25% per annum).

9.4	The movement in loans from related parties was as follows:	2025 AED	2024 AED
	Balance at the beginning of the year	15,922,849	15,346,491
	Additions	2,370,967	-
	Repayments	(1,432,275)	-
	Accretion of interest (note 18)	615,914	698,366
	Interest settled through netting arrangements	(1,949,089)	(122,008)
	Balance at the end of the year	<u>15,528,366</u>	<u>15,922,849</u>

9.5 Transactions with related parties, other than disclosed above (note 9.4) were as follows:

	2025 AED	2024 AED
Revenue (note 13)	<u>2,927,275</u>	<u>2,426,188</u>
Direct costs	<u>11,057,668</u>	<u>12,824,507</u>
Transfer of end-of-service benefits provision from related party (note 12)	<u>17,005</u>	<u>10,216</u>
Interest income (note 15)	<u>78,381</u>	<u>30,009</u>
Management fees (note 16)	<u>3,061,776</u>	<u>2,728,374</u>
Interest on loans from related parties (note 18)	<u>615,914</u>	<u>698,366</u>

10 PROPERTY AND EQUIPMENT

	Computer equipment AED	Furniture and fixtures AED	Office equipment AED	Motor vehicles AED	Total AED
10.1 Cost					
As at January 1, 2024	355,214	1,097,272	193,420	247,440	1,893,346
Additions	57,481	7,755	3,108	-	68,344
As at December 31, 2024	<u>412,695</u>	<u>1,105,027</u>	<u>196,528</u>	<u>247,440</u>	<u>1,961,690</u>
Additions	30,199	48,220	15,114	-	93,533
As at December 31, 2025	<u>442,894</u>	<u>1,153,247</u>	<u>211,642</u>	<u>247,440</u>	<u>2,055,223</u>



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10 PROPERTY AND EQUIPMENT (continued)

	Computer equipment AED	Furniture and fixtures AED	Office equipment AED	Motor vehicles AED	Total AED
10.2 Accumulated depreciation					
As at January 1, 2024	278,308	394,129	119,155	226,728	1,018,320
Charge for the year (note 16)	39,140	232,123	34,402	11,401	317,066
As at December 31, 2024	317,448	626,252	153,557	238,129	1,335,386
Charge for the year (note 16)	65,422	236,120	22,731	3,990	328,263
As at December 31, 2025	382,870	862,372	176,288	242,119	1,663,649
10.3 Net book value					
As at December 31, 2025	60,024	290,875	35,354	5,321	391,574
As at December 31, 2024	95,247	478,775	42,971	9,311	626,304

11 ACCOUNTS AND OTHER PAYABLES

	2025 AED	2024 AED
Accounts payables - third parties	14,427,697	15,535,912
Accounts payables - related parties (note 9.2)	2,049,042	4,399,836
Accrued expenses - import and export	4,271,661	2,298,319
Advances from customers	182,489	1,711,294
	<u>20,930,889</u>	<u>23,945,361</u>

12 EMPLOYEES' END-OF-SERVICE BENEFITS

	2025 AED	2024 AED
Balance at the beginning of the year	2,048,765	1,452,646
Provided for the year	572,707	713,865
Paid during the year	(316,665)	(127,962)
Transfer from a related party (note 9.5)	17,005	10,216
Balance at the end of the year	<u>2,321,812</u>	<u>2,048,765</u>

13 REVENUE

	2025 AED	2024 AED
Revenue from third parties	164,000,625	161,355,136
Revenue from related parties (note 9.5)	2,927,275	2,426,188
	<u>166,927,900</u>	<u>163,781,324</u>

Geographical segments:

Within UAE	163,052,817	160,281,642
Outside UAE	3,875,083	3,499,682
	<u>166,927,900</u>	<u>163,781,324</u>

Revenue is recognised at a point in time as the Company satisfies performance obligations by providing the promised services to its customers.



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14	DIRECT COSTS	2025 AED	2024 AED
	Import documentation and freight charges	80,630,818	78,506,561
	Export documentation and freight charges	56,717,322	57,955,530
		<u>137,348,140</u>	<u>136,462,091</u>
15	OTHER INCOME	2025 AED	2024 AED
	Net exchange gains	427,878	414,547
	Interest income (note 9.5)	78,381	30,009
	Liability written back	49,883	720,413
		<u>556,142</u>	<u>1,164,969</u>
16	GENERAL AND ADMINISTRATIVE EXPENSES	2025 AED	2024 AED
	Salaries and benefits	20,013,507	17,778,405
	Management fees (note 9.5)	3,061,776	2,728,374
	Professional and other fees	1,006,266	1,063,613
	Rent - short-term lease	773,598	707,237
	Travelling and conveyance	391,992	267,776
	Communications	370,937	387,433
	Utilities	342,088	349,377
	Depreciation of property and equipment (note 10.2)	328,263	317,066
	Bank charges	141,487	141,398
	Insurance	112,899	26,903
	Others	18,987	1,163
		<u>26,561,800</u>	<u>23,768,745</u>
17	SELLING AND MARKETING EXPENSES	2025 AED	2024 AED
	Advertisement expenses	<u>123,594</u>	<u>23,339</u>
18	FINANCE COSTS	2025 AED	2024 AED
	Interest on loans from related parties (note 9.4)	<u>615,914</u>	<u>698,366</u>
19	CORPORATE INCOME TAX		
19.1	<u>Income tax expense</u>		
	The major component of income tax charge are:	2025 AED	2024 AED
	Current income tax:		
	Current income tax expense	<u>197,298</u>	<u>294,152</u>



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19 CORPORATE INCOME TAX (continued)

19.2 Provision for taxation

Movement in provision for taxation recognised in the statement of financial position is as follows:

	2025	2024
	AED	AED
As at beginning of the year	294,152	-
Provided during the year	197,298	294,152
Paid during the year	(294,152)	-
As at closing of the year	<u>197,298</u>	<u>294,152</u>

19.3 Reconciliation of tax charge

Reconciliation of tax expense and the accounting profit multiplied by the UAE's domestic tax rate for the year ended December 31, 2024 are:

	2025	2024
	AED	AED
Accounting profit before corporate tax	2,510,707	3,619,025
Disallowable expenses	<u>56,490</u>	<u>24,331</u>
	<u>2,567,197</u>	<u>3,643,356</u>
Tax on taxable profit up to AED 375,000	-	-
Tax on taxable profit in excess of AED 375,000 @ 9% (2023: 9%)	<u>197,298</u>	<u>294,152</u>
At the effective current corporate income tax rate of 2025: 7.86% (2024 : 8.1%)	<u>197,298</u>	<u>294,152</u>

20 COMMITMENTS AND CONTINGENCIES

20.1 Capital and operating expenditure commitments

The Company did not have any capital or operating expenditure commitments as at the reporting date. The rent agreement is renewable on an annual basis.

20.2 Contingent liabilities

	2025	2024
	AED	AED
Dubai Customs Authority payment guarantee (note 8.1)	<u>1,500,000</u>	<u>1,100,000</u>
International Air Transport Association payment guarantee (IATA) (note 8.1)	<u>-</u>	<u>92,000</u>

21 RISK MANAGEMENT

21.1 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 Company was not exposed to interest rate risk as there were no variable interest-bearing assets or liabilities, and the loans from related parties are on fixed interest rate terms as at the reporting date.



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21 RISK MANAGEMENT (continued)

21.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss and is limited to the carrying values of financial assets in the statement of financial position.

The Company was exposed to credit risk on the following balances:

	2025 AED	2024 AED
Cash at banks (note 6)	3,712,157	6,950,367
Trade receivables and contract assets, net (note 7)	35,653,653	34,655,005
Other receivables (excluding deferred charges, advances to suppliers, prepaid expenses, VAT recoverable, net and staff advances) (note 8)	8,380,275	3,744,337
Due from related party (note 9.1)	-	2,694,785
	<u>47,746,085</u>	<u>48,044,494</u>

The Company seeks to limit its credit risk with respect to banks by dealing with reputable banks only.

Credit risks related to trade receivables and contract assets are managed subject to the Company's policies, procedures and controls relating to customer credit risk management. Credit limits are established for all customers based on internal rating criteria and the credit quality of customers is assessed by management. Outstanding receivables are regularly monitored. The Company does not hold collateral as security.

Other receivables are with parties with good credit ratings, hence the risk is minimal.

21.3 Liquidity risk

Liquidity risk is the risk that the Company may not have sufficient funds to meet its liabilities as they fall due. The Company limits its liquidity risk by managing its cash flows and ensuring that funds from one of the Shareholders are available as required.

The Company's terms of contract require amounts to be paid within 90 days from the date of invoice.

The table below summarises the maturities of the Company's financial liabilities at the maturity date.

	Less than 1 year AED	More than 1 year AED	Total AED
2025			
Loans from related parties (note 9.3)	45,778	15,482,588	15,528,366
Accounts and other payables (excluding advances from customers) (note 11)	20,748,400	-	20,748,400
	<u>20,794,178</u>	<u>15,482,588</u>	<u>36,276,766</u>
	Less than 1 year AED	More than 1 year AED	Total AED
2024			
Loans from related parties (note 9.3)	1,378,951	14,543,898	15,922,849
Accounts and other payables (excluding advances from customers) (note 11)	22,234,067	-	22,234,067
	<u>23,613,018</u>	<u>14,543,898</u>	<u>38,156,916</u>



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21 RISK MANAGEMENT (continued)

21.4 Foreign currency risk

Foreign currency risk is the risk that fair value or cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk mainly arises from future contractual transactions of receivables and payables that exist due to transactions in foreign currencies.

Most of the Company's transactions are carried out in AED and USD. As the AED is pegged to the USD, there is no foreign currency risk involved with regard to the USD. Transactions carried in GBP and EUR are minimal.

22 FAIR VALUES

The management assesses the fair values of all the Company's financial assets and financial liabilities at each reporting date.

The fair values of the financial assets and financial liabilities are considered at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair values of current financial assets and current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the Company's non-current loans from related parties are not materially different from their carrying amounts. These balances are interest-free and have no fixed repayment terms. As such, the impact of discounting has been assessed as immaterial, and the carrying amounts are considered to approximate their fair values.

23 EVENTS AFTER THE REPORTING DATE

There have been no events occurring after the reporting date that require adjustment to, or disclosure in, the financial statements.