T E C BUSINESS CENTER FZE
Dubai - United Arab Emirates

TRANSLATED VERSION OF STATEMENT OF FINANCIAL POSITION

Particulars	Notes	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
ASSETS							
Non-current assets							
Property, plant and equipment	6	5,28,68,287	4,23,27,176	2,21,09,421	1,23,03,82,496	95,68,90,467	49,79,32,904
Right of use assets	7.1	12,28,96,710	23,53,76,972	3,01,10,104	2,86,01,25,973	5,32,11,67,206	67,81,18,685
Accounts and other receivables	9	31,50,624	79,09,221	14,03,581	7,33,23,211	17,88,03,759	3,16,10,469
Total non-current assets		**17,89,15,621**	**28,56,13,369**	**5,36,23,106**	**4,16,38,31,680**	**6,45,68,61,432**	**1,20,76,62,058**
Current assets							
Due from related parties	8.1	31,30,039	2,00,902	15,410	7,28,44,146	45,41,791	3,47,053
Accounts and other receivables	9	77,14,809	66,24,474	42,24,655	17,95,43,664	14,97,59,485	9,51,44,721
Other Financial Assets	10	1,50,000	-	-	34,90,890	-	-
Cash and cash equivalents	11	2,32,83,888	1,94,50,520	74,56,471	54,18,76,612	43,97,17,906	16,79,29,421
Total current assets		**3,42,78,736**	**2,62,75,896**	**1,16,96,536**	**79,77,55,312**	**59,40,19,182**	**26,34,21,195**
TOTAL ASSETS		**21,31,94,357**	**31,18,89,265**	**6,53,19,642**	**4,96,15,86,992**	**7,05,08,80,614**	**1,47,10,83,253**
EQUITY AND LIABILITIES							
Equity							
Share capital		3,00,000	3,00,000	3,00,000	60,72,840	60,72,840	60,72,840
Accumulated deficit		(44,07,281)	(94,02,204)	(1,27,00,597)	(5,13,31,061)	(16,50,93,929)	(23,92,27,950)
Foreign currency translation reserve					(5,03,28,888)	(4,67,52,438)	(4,61,22,456)
Total Equity		**(41,07,281)**	**(91,02,204)**	**(1,24,00,597)**	**(9,55,87,109)**	**(20,57,73,527)**	**(27,92,77,566)**
Non-current liabilities							
Lease liabilities	7.2	12,53,71,701	23,87,62,154	3,29,19,124	2,91,77,25,449	5,39,76,96,015	74,13,81,467
Loan from related parties	8.2	4,32,86,706	2,56,93,975	2,49,03,115	1,00,73,94,194	58,08,63,693	56,08,50,524
Provision for employees' end of service indemnity	12	7,15,264	3,95,028	2,79,813	1,66,46,053	89,30,398	63,01,753
Total non-current liabilities		**16,93,73,671**	**26,48,51,157**	**5,81,02,052**	**3,94,17,65,696**	**5,98,74,90,106**	**1,30,85,33,744**
Current liabilities							
Lease liabilities	7.2	98,31,497	1,41,85,202	50,96,326	22,88,04,497	32,06,84,862	11,47,75,887
Due to related parties	8.3	23,00,811	5,44,623	-	5,35,45,855	1,23,12,292	-
Accounts and other payables	13	1,96,12,966	2,97,13,410	82,85,201	45,64,44,712	67,17,31,061	18,65,93,497
Deferred revenue	14	1,61,82,693	1,16,97,077	62,36,660	37,66,13,341	26,44,35,820	14,04,57,691
Total current liabilities		**4,79,27,967**	**5,61,40,312**	**1,96,18,187**	**1,11,54,08,405**	**1,26,91,64,035**	**44,18,27,075**
Total Liabilities		**21,73,01,638**	**32,09,91,469**	**7,77,20,239**	**5,05,71,74,101**	**7,25,66,54,141**	**1,75,03,60,819**
TOTAL EQUITY AND LIABILITIES		**21,31,94,357**	**31,18,89,265**	**6,53,19,642**	**4,96,15,86,992**	**7,05,08,80,614**	**1,47,10,83,253**

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

For Manian & Rao
Chartered Accountants
Firm Registration No - 001983S

PARESH DAGA
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Date: 2025.07.14 19:30:54 +05'30'

Paresh Daga
Partner
Membership No. 211468

Place : Bangalore
Date : July 14, 2025

FOR T E C BUSINESS CENTER FZE

V. Vijayalakshmi

Vijayalakshmi Venkatakrishna
Authorised Signatory

Place : Mumbai
Date : July 14, 2025

T E C BUSINESS CENTER FZE
Dubai - United Arab Emirates

TRANSLATED VERSION OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Particulars	Notes	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Revenue	15	7,45,94,022	4,45,87,880	2,25,81,615	1,69,89,31,067	1,00,21,48,273	48,31,31,394
Service expenses	16	(1,08,05,035)	(58,14,785)	(31,87,698)	(24,60,92,237)	(13,06,91,945)	(6,82,00,479)
Other income	17	1,34,75,515	-	-	30,69,14,287	-	-
Depreciation	18	(2,03,84,655)	(1,66,07,818)	(66,76,336)	(46,42,74,786)	(37,32,73,996)	(14,28,39,541)
Staff cost	19	(1,33,25,688)	(72,97,997)	(35,56,680)	(30,35,01,872)	(16,40,28,321)	(7,60,94,814)
Business promotion	20	(37,32,499)	(31,97,355)	(18,66,228)	(8,50,10,277)	(7,18,63,112)	(3,99,27,762)
General and administrative expenses	21	(73,69,530)	(17,98,362)	(9,07,122)	(16,78,46,204)	(4,04,19,624)	(1,94,07,784)
Management fee and royalty	23	(1,02,01,669)	-	-	(23,23,50,153)	-	-
Profit/(loss) from operations		**2,22,50,461**	**98,71,563**	**63,87,551**	**50,67,69,825**	**22,18,71,275**	**13,66,61,014**
Finance cost	22	(1,72,55,538)	(65,73,170)	(24,17,179)	(39,30,06,957)	(14,77,37,254)	(5,17,15,303)
Profit/(loss) for the year		**49,94,923**	**32,98,393**	**39,70,372**	**11,37,62,868**	**7,41,34,021**	**8,49,45,711**
Other comprehensive income/(loss) for the year:							
A. Items that will not be reclassified to profit or loss							
B. Items that will be reclassified to profit or loss							
Foreign Currency Translation Reserve		-	-	-	(35,76,450)	(6,29,982)	(3,28,29,026)
Other Comprehensive Income/(loss) for the year		**-**	**-**	**-**	**(35,76,450)**	**(6,29,982)**	**(3,28,29,026)**
Total Comprehensive Income/(loss) for the year		**49,94,923**	**32,98,393**	**39,70,372**	**11,01,86,418**	**7,35,04,039**	**5,21,16,685**

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

For Manian & Rao
Chartered Accountants
Firm Registration No - 001983S

PARESH DAGA Digitally signed by PARESH DAGA Date: 2025.07.14 19:31:29 +05'30'

Paresh Daga
Partner
Membership No. 211468

Place : Bangalore
Date : July 14, 2025

FOR T E C BUSINESS CENTER FZE

Vijayalakshmi Venkatakrishna
Authorised Signatory

Place : Mumbai
Date : July 14, 2025

T E C BUSINESS CENTER FZE
Dubai - United Arab Emirates

TRANSLATED VERSION OF STATEMENT OF CASH FLOWS

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit/(loss) for the year	**49,94,923**	**32,98,393**	**39,70,372**	**11,37,62,868**	**7,41,34,021**	**8,49,45,711**
Adjustments for:						
Depreciation of property, plant and equipment	82,81,634	46,44,065	30,54,070	18,86,20,011	10,43,79,076	6,53,41,522
Depreciation of right of use assets	1,21,03,021	1,19,63,753	36,22,266	27,56,54,775	26,88,94,920	7,74,98,019
Gain on derecognition of lease liabilities	(1,34,75,515)	-	-	(30,69,14,287)	-	-
Loss on remeasurement of lease liabilities	36,61,062	-	-	8,33,83,250	-	-
Finance Cost	1,72,55,538	65,73,170	24,17,179	39,30,06,957	14,77,37,254	5,17,15,303
Loss allowance on receivables recognized/(written back)	(67,129)	85,960	37,052	(15,28,910)	19,32,020	7,92,724
Provision for employees' end of service indemnity	3,30,877	1,25,175	1,01,041	75,35,955	28,13,408	21,61,762
Operating cash flows before changes in working capital	**3,30,84,411**	**2,66,90,516**	**1,32,01,980**	**75,35,20,619**	**59,98,90,699**	**28,24,55,041**
Working capital changes:						
Accounts and other receivables	37,35,391	(89,91,419)	(22,25,373)	8,50,76,145	(20,20,89,335)	(4,76,11,633)
Accounts and other payables	(1,01,00,444)	2,14,28,209	48,33,045	(23,00,44,682)	48,16,16,140	10,34,02,514
Deferred revenue	44,85,616	54,60,417	29,33,680	10,21,63,044	12,27,27,240	6,27,65,790
Cash generated from/(used in) operating activities before payment of employees' and of service indemnity	**3,12,04,974**	**4,45,87,723**	**1,87,43,332**	**71,07,15,126**	**1,00,21,44,744**	**40,10,11,712**
Payment of employees' end of service indemnity	(10,641)	(9,960)	-	(2,42,356)	(2,23,859)	-
NET CASH GENERATED FROM OPERATING ACTIVITIES	**3,11,94,333**	**4,45,77,763**	**1,87,43,332**	**71,04,72,770**	**1,00,19,20,885**	**40,10,11,712**
CASH FLOWS FROM INVESTING ACTIVITIES						
Additions to property, plant and equipment	(4,18,65,178)	(2,48,61,820)	(1,00,18,832)	(95,35,08,735)	(55,87,89,294)	(21,43,51,909)
Movements in other financial assets	(1,50,000)	-	-	(34,16,355)	-	-
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES	**(4,20,15,178)**	**(2,48,61,820)**	**(1,00,18,832)**	**(95,69,25,090)**	**(55,87,89,294)**	**(21,43,51,909)**
CASH FLOWS FROM FINANCING ACTIVITIES						
Due from related parties	2,01,13,296	(1,85,492)	1,194	45,80,94,396	(41,69,081)	25,546
Loan from related parties	1,75,92,731	7,90,860	(1,41,003)	40,06,86,763	1,77,75,211	(30,16,745)
Due to related parties	17,56,188	5,44,623	-	3,99,98,411	1,22,40,838	-
Payment of lease liabilities	(2,29,12,968)	(81,50,844)	(46,56,092)	(52,18,58,885)	(18,31,96,740)	(9,96,16,623)
Finance Cost	(18,95,034)	(7,21,041)	(6,46,213)	(4,31,60,726)	(1,62,05,973)	(1,38,25,663)
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES	**1,46,54,213**	**(77,21,894)**	**(54,42,114)**	**33,37,59,959**	**(17,35,55,745)**	**(11,64,33,485)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**38,33,368**	**1,19,94,049**	**32,82,386**	**8,73,07,639**	**26,95,75,846**	**7,02,26,318**
Cash and cash equivalents at the beginning of the year	1,94,50,520	74,56,471	41,74,085	43,97,17,906	16,79,29,421	8,44,95,168
Exchange difference on translation of foreign currency cash and cash equivalents				1,48,51,067	22,12,639	1,32,07,935
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**2,32,83,888**	**1,94,50,520**	**74,56,471**	**54,18,76,612**	**43,97,17,906**	**16,79,29,421**

For Manian & Rao
Chartered Accountants
Firm Registration No - 001983S

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Paresh Daga
Partner
Membership No. 211468

Place : Bangalore
Date : July 14, 2025

FOR T E C BUSINESS CENTER FZE

V. Vijayalakshmi

Vijayalakshmi Venkatakrishna
Authorised Signatory

Place : Mumbai
Date : July 14, 2025

T E C BUSINESS CENTER FZE
Dubai - United Arab Emirates

TRANSLATED VERSION OF STATEMENT OF CHANGES IN EQUITY

(Amount in AED)

Particluars	Share capital	Accumulated deficit	Total
Balance as at December 31, 2021	**3,00,000**	**(1,66,70,969)**	**(1,63,70,969)**
Total comprehensive income/(loss) for the year	-	39,70,372	39,70,372
Balance as at December 31, 2022	**3,00,000**	**(1,27,00,597)**	**(1,24,00,597)**
Total comprehensive income/(loss) for the year	-	32,98,393	32,98,393
Balance as at December 31, 2023	**3,00,000**	**(94,02,204)**	**(91,02,204)**
Total comprehensive income/(loss) for the year	-	49,94,923	49,94,923
Balance as at December 31, 2024	**3,00,000**	**(44,07,281)**	**(41,07,281)**

(Amount in INR)

Particluars	Share capital	Accumulated deficit	Foreign currency translation reserve	Total
Balance as at December 31, 2021	**60,72,840**	**(32,41,73,661)**	**(1,32,93,430)**	**(33,13,94,251)**
Total comprehensive income/(loss) for the year	-	8,49,45,711	-	8,49,45,711
Exchange differences on translating the financial statement	-	-	(3,28,29,026)	(3,28,29,026)
Balance as at December 31, 2022	**60,72,840**	**(23,92,27,950)**	**(4,61,22,456)**	**(27,92,77,566)**
Total comprehensive income/(loss) for the year	-	7,41,34,021	-	7,41,34,021
Exchange differences on translating the financial statement	-	-	(6,29,982)	(6,29,982)
Balance as at December 31, 2023	**60,72,840**	**(16,50,93,929)**	**(4,67,52,438)**	**(20,57,73,527)**
Total comprehensive income/(loss) for the year	-	11,37,62,868	-	11,37,62,868
Exchange differences on translating the financial statement	-	-	(35,76,450)	(35,76,450)
Balance as at December 31, 2024	**60,72,840**	**(5,13,31,061)**	**(5,03,28,888)**	**(9,55,87,109)**

For Manian & Rao
Chartered Accountants
Firm Registration No - 001983S

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Paresh Daga
Partner
Membership No. 211468

Place : Bangalore
Date : July 14, 2025

FOR T E C BUSINESS CENTER FZE

Vijayalakshmi Venkatakrishna
Authorised Signatory

Place : Mumbai
Date : July 14, 2025

T E C BUSINESS CENTER FZE

Dubai - United Arab Emirates

TRANSLATED VERSION OF NOTES TO THE FINANCIAL STATEMENTS

1 BASIS OF PREPARATION

These Translated version of financial statements have been prepared from the financial statements audited by other auditor (HLB HAMT) to comply with ICDR regulations for the purpose of the proposed Indian Public Offer (IPO) of the Holding company, Executive Centre India Limited and it was approved by the company's Board of directors on July 14, 2025. The translated version of financial statements has been prepared in Indian Rupees in accordance with the principles laid down in IND AS 21 "The Effect of Changes in Foreign Currency Rates".

The material accounting policies disclosed in the audited financial statements by the other auditors are replicated below:-

2 Establishment and operations

T E C BUSINESS Center FZE (the Establishment) is a Free Zone Establishment with limited liability, incorporated on November 02, 2017 under License No. L-0051 with the Dubai World Trade Centre Authority, Dubai, United Arab Emirates.

The Establishment has an authorized, issued and fully paid-up share capital of AED 300,000/- divided into 300 shares of AED 1,000/- each held by M/s. The Executive Centre Singapore PTE LTD, a company incorporated in Singapore.
The registered office of the Establishment is located in Dubai World Trade Centre, Dubai United Arab Emirates.

Name of Branch	Licence No.	Registration Authority	Date of registration
T E C Business Center FZE, Abu Dhabi Branch	000006656	Abu Dhabi Global Market (ADGM)	June 14, 2022
T E C Business Center FZE, Dubai Branch	805612	Department of Economy and	April 23, 2018
T E C Business Center FZE, AMT Branch	18008	Abu Dhabi Global Market	May 03, 2024
T E C Business Center FZE, Al Sila Tower Branch	21100	Abu Dhabi Global Market (ADGM)	September 25, 2024

The principal activities of the Establishment and its branches include providing business center facilities, registered office services, corporate support functions and business sustainability solutions.

These financial statements present the consolidated financial position and performance of the Establishment and its branches, all of which operate under common ownership and unified management control.

3 Adoption of new and revised International Financial Reporting Standards and Interpretations

3.1 Standards and interpretations effective in the current year

The Establishment has adopted the following new and amended IFRS that are effective for the year ended December 31, 2022, 2023 & 2024:

	Effective for annual periods beginning
Amendment to IFRS 16 - COVID-19-Related Rent Concessions beyond 30 June 2021	April 01, 2021
Amendments to IFRS 3 - Reference to the Conceptual Framework	January 01, 2022
Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before Intended Use	January 01, 2022
Amendments to IAS 37 - Onerous Contracts — Costs of Fulfilling a Contract	January 01, 2022
Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards - Subsidiary as a first-time adopter	January 01, 2022
Amendments to IFRS 9 Financial Instruments — Fees in the '10 per cent' test for derecognition of financial liabilities	January 01, 2022
Amendments to IAS 41 Agriculture — Taxation in fair value measurements	January 01, 2022
Amendments to IFRS 16 Leases — Removal of the illustration of the reimbursement of leasehold improvements	January 01, 2022
IFRS 17 - Insurance Contracts (including the June 2020 and December 2021 amendments)	January 01, 2023
Amendments to IAS 12 Income Taxes - International Tax Reform - Pillar Two Model Rules	January 01, 2023
Amendments to IAS I and IFRS Practice Statement 2: Disclosure of Accounting Policies	January 01, 2023
Amendments to IAS 8: Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 01, 2023
Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants	January 01, 2024
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements	January 01, 2024
Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback	January 01, 2024

(a) Amendment to IFRS 16 - COVID-19-Related Rent Concessions beyond 30 June 2021:

In May 2020, the Board issued COVID-19-Related Rent Concessions (the 2020 amendments), which amended IFRS 16 Leases. The 2020 amendments introduced an optional practical expedient that simplifies how a lessee accounts for rent concessions that are a direct consequence of COVID-19. Under that practical expedient, a lessee is not required to assess whether eligible rent concessions are lease modifications, instead accounting for them in accordance with other applicable guidance. The practical expedient introduced in the 2020 amendments only applies to rent concessions for which any reduction in lease payments affects solely payments originally due on or before 30 June 2021. If the Board had taken no further action, the practical expedient would have expired in a few months. The economic challenges presented by the COVID-19 pandemic have persisted longer than anticipated. As a result, lessors and lessees are negotiating rent concessions that extend beyond 30 June 2021.The Board has therefore extended the practical expedient by 12 months - i.e., permitting lessees to apply it to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022.

(b) Amendments to IFRS 3 - Reference to the Conceptual Framework:

The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

(c) Amendments to IAS 16 - Property. Plant and Equipment: Proceeds before Intended Use:

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e., proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories. The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes. If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

(d) Amendments to IAS 37 - Onerous Contracts - Costs of Fulfilling a Contract:

The amendments specify that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

(e) Amendments to IFRS I First-time Adoption of International Financial Reportinq Standards - Subsidiary as a first-time adopter:

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS I:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Accounting Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1: D16(a).

(f) Amendments IFRS 9 Financial Instruments - Fees in the '10 per cent' test for derecoqnition of financial liabilities:

The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, induding fees paid or received by either the entity or the lender on the other's behalf.

(g) Amendments IAS 41 Aqriculture - Taxation in fair value measurements:

The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

(h) Amendments to IFRS 16 Leases - Removal of the illustration of the reimbursement of leasehold improvements:

In May 2020, the International Accounting Standards Board amended Illustrative Example 13 accompanying IFRS 16 leases as part of Annual Improvements to IFRS Standards 2018-2020. The amendment to Illustrative Example 13 accompanying IFRS 16 removes potential for confusion regarding lease incentives.

3.2 New and revised IFRS in issue but not effective and not early adopted

The following standards, amendments thereto and interpretations have been issued prior to December 31, 2022, 2023 & 2024, but their effective dates of adoption are for future periods.

	Effective for annual periods beginning
IFRS 17 - Insurance Contracts (including the June 2020 and December 2021 amendments)	January 01, 2023
Amendments to IAS 12 Income Taxes - International Tax Reform - Pillar Two Model Rules	January 01, 2023
Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies	January 01, 2023
Amendments to IAS 8: Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 01, 2023
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements	January 01, 2024
Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants	January 01, 2024
Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback	January 01, 2024
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	January 01, 2025
Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Indefinitely deferred

4 Basis of presentation and significant accounting policies

4.1 Statement of compliance

These financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and the requirements of Dubai World Trade Centre Authority regulation and Abu Dhabi Global Market.

4.2 Basis of measurement

These financial statements have been prepared under the historical cost basis.

Historical cost is generally based on the fair value of the consideration given in exchange of goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Establishment takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

4.3 Functional and presentation currency

These financial statements are prepared and the items included in the financial statements are measured using the currency of the primary economic environment in which the Establishment operates (‘the functional currency’). These financial statements are presented in Arab Emirates Dirhams (AED), which is the Establishment’s functional and presentation currency

4.4. Going concern

These financial statements have been prepared under the going concern concept despite the fact that the Establishment has negative equity and a working capital deficit. It is the intention of the shareholder to provide adequate financial support to the Establishment as may be required from time to time to continue its operations in the foreseeable future.

Particulars	31-Dec-24 AED	31-Dec-23 AED	31-Dec-22 AED	31-Dec-24 INR	31-Dec-23 INR	31-Dec-22 INR
Total negative equity	41,07,281	91,02,204	1,24,00,597	9,55,87,109	20,57,73,527	27,92,77,566
Working capital deficit	1,36,49,231	2,98,64,416	79,21,651	31,76,53,093	67,51,44,853	17,84,05,880

4.5. Foreign currency

4.5.1. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of outstanding amounts of such transactions and from the re-translation of monetary assets and liabilities denominated in foreign currencies at the end of each reporting period are recognized in the statement of comprehensive income.

At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing on that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined. Non- monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

4.6. Property, plant and equipment

Property, plant and equipment are carried at historical cost, less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Establishment and the cost of the item can be measured reliably.

The carrying amount of the replaced part is derecognized. All other repairs and maintenance costs are recognized in the income statement during the financial period in which they are incurred.

Depreciation is calculated on the straight-line method, at rates calculated to allocate the cost of assets less their estimated residual value over their expected useful lives as follows:

Leasehold improvements	9 years
IT equipment	3 - 5 years
Office equipment	5 years
Furniture and fixtures	7.5 year

The residual values, useful lives and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefit from these assets, and adjusted prospectively, if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the carrying amount is greater than its estimated recoverable amount

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of comprehensive income

4.7. Capital work in progress

Properties under construction for production, rental or administrative purposes including intangible assets or for purposes not yet determined, are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Establishment's accounting policy. Depreciation or amortization of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

4.8. Right of use assets

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. 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.

- Business center premises 5 - 10 years

The Establishment applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Impairment of non-financial assets' policy

4.9. Impairment of non-financial assets

Assets that have an indefinite useful life, for example, goodwill or intangible assets not ready to use, are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization/depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell, and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels, for which there are mostly independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for a possible reversal on each reporting date.

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 to sell, 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.

The Establishment bases its impairment calculation on detailed 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 one to five years. For more extended periods, a long-term growth rate is calculated and applied to projected future cash flows after the fifth year.

Impairment losses are recognized in the income statement in expense categories consistent with the function of the impaired asset, except for assets previously revalued with the revaluation taken to other comprehensive income. For such assets, the impairment is recognized in other comprehensive income up to the amount of any previous revaluation.

4.10. Financial instruments

Financial assets and financial liabilities are recognized when the Establishment becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognized immediately in profit or loss.

4.10.1. Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

4.10.2. Classification of financial assets

a) Debt instruments classified as at FVTOCI:

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

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

The Establishment's financial assets measured at amortized cost consist of accounts and other receivables (excluding prepayments and advances), due from related parties and cash and cash equivalents.

Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI):

a) Debt instruments classified as at FVTOCI:

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Equity instruments classified as at FVTOCI:

On initial recognition, the Establishment may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Establishment manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments' revaluation reserve.

The Establishment designated all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition.
The Establishment's financial assets at FVTOCI consist of quoted and unquoted equity investments and bonds.
The Establishment does not hold any financial assets at FVTOCI.

Financial assets at Fair Value Through Profit and Loss (FVTPL):

By default, all other financial assets are measured subsequently at fair value through profit and loss (FVTPL). Despite the preceding, the Establishment may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Establishment may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if specific criteria are met; and
- the Establishment may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

The Establishment's financial assets at FVTPL consist of quoted and unquoted equity investments and derivative financial instruments. The Establishment does not hold any financial assets at FVTPL.

4.10.3. Amortised cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets (i.e., assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

4.10.4. Impairment of financial assets

The Establishment recognizes a loss allowance for expected credit losses on accounts and other receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Establishment recognizes lifetime ECL for accounts and other receivables, and related party balances. The expected credit losses on these financial assets are estimated based on the Establishment's historical credit loss experience of the debtor, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Establishment measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

For all other financial instruments, the Establishment recognizes lifetime ECL when there has been a significant increase in credit risk since initial Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date. Investments in equity instruments designated as investments at FVTPL and FVTOCI are not subject to impairment.

4.10.5. Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Establishment compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Establishment considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Establishment's debtors operate, obtained from economic expert reports, and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relates to the Establishment's core operations.

Despite the foregoing, the Establishment assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default;
- The borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Establishment regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying a significant increase in credit risk before the amount becomes past due.

4.10.6. Definition of default

The Establishment considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable;

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Establishment, in full.

Irrespective of the above analysis, the Establishment considers that default has occurred when a financial asset is more than 60 days past due unless the Establishment has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

4.10.7.Credit impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit- impaired includes observable data about the following events:

- the significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for that financial asset because of financial difficulties.

4.10.8. Write off policy

The Establishment writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Establishment's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

4.10.9. Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Establishment in accordance with the contract and all the cash flows that the Establishment expects to receive, discounted at the original effective interest rate.

If the Establishment has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Establishment measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Establishment recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

4.10.10. De-recognition of financial assets

The Establishment derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Establishment neither transfers nor retains all the risks and rewards of ownership substantially and continues to control the transferred asset, the Establishment recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Establishment retains all the risks and rewards of ownership of a transferred financial asset substantially, the Establishment continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

4.10.11. Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Establishment are recognised at the proceeds received net of direct issue costs.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Establishment, are measured in accordance with the specific accounting policies set out below:

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not:

- contingent consideration of an acquirer in a business combination,
- held-for-trading, or
- designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of financial liability.

The Establishment's financial liabilities measured at amortized cost include accounts and other payables (less VAT payable), loan from related parties, due to related parties and lease liabilities.

Derecognition of financial liabilities

The Establishment derecognises financial liabilities when, and only when, the Establishment's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4.10.12. Offsetting of financial instruments

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

4.11. Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

4.11.1. 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 recognized 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.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, 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 recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized 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 utilized, 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.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized 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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized 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 recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset only when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax balances relate to the same taxable entity and the same taxation authority, or on different tax entities but they intend to settle current income tax liabilities and assets on a net basis or their income tax assets and liabilities will be realized simultaneously.

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

4.11.2. Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Establishment and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns. With respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

4.11.3. Value added tax

Output value-added tax related to sales is payable to tax authorities on the earlier of:

- collection of receivables from customers or
- delivery of goods or services to customers.

Input VAT is generally recoverable against output VAT upon receipt of the VAT invoice. The tax authorities permit the settlement of VAT on a net basis. VAT related to sales and purchases is recognised in the statement of financial position on a gross basis – unless the Establishment has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously. Where provision has been made for the ECL of receivables, the impairment loss is recorded for the gross amount of the debtor, including VAT.

4.12. Borrowing costs

Borrowing costs related to the acquisition, construction and production of the qualifying assets are treated as part of the cost of the relevant assets. Qualifying assets are those assets that take a substantial period to get ready for their intended use. The borrowing costs eligible for capitalization are the actual borrowing costs incurred on the borrowing during the year less any investment income on the temporary investment of those borrowings.

The borrowing costs eligible for capitalization are determined by applying capitalization rate to the expenditures on the qualifying assets.

The capitalization rate is the weighted average of the borrowing applicable to the borrowings of the Establishment that are outstanding during the year, other than borrowings made specifically for the purpose of obtaining the qualifying assets.

Capitalization of borrowing costs commence when:

- Expenditures for the qualifying assets being incurred.
- Borrowing costs are being incurred, and
- Activities that are necessary to prepare the qualifying assets for their intended use or sale are in progress.

Capitalization of borrowing costs ceases when substantially all activities necessary to prepare the qualifying assets for their intended use or sale are complete.

All other borrowing costs are expensed in the period in which they occur.

4.13. Provision for employees' end of service indemnity

Estimated amounts required to cover employees' end of service indemnity at the date of statement of financial position are computed pursuant to the UAE Labour Law based on the employees' accumulated period of service and current remuneration at the date of statement of financial position.

The management is of the opinion that no significant difference would have arisen had the liability been calculated on an actuarial basis as salary inflation and discount rates are likely to have approximately equal and opposite effects.

4.13.1. Provision for leave salary

A provision is made for estimated liability for employees' entitlement to annual leave as a result of services rendered by the employees up to the date of statement of financial position. The provisions relating to the annual leave is classified and included in other payables as a current liability, while that relating to employees' end of service indemnity is disclosed as a non-current liability.

4.14. Leases

At the inception of a contract, the Establishment assesses whether the contract is, or contains a lease. A contract is or contains a lease if the contracts convey the right to control the use of an identified asset for the Establishment for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Establishment assess whether:

- The contract involves the use of an identified asset -this may be specified explicitly or implicitly and should be physically distinct or represent substantially all the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.
- The Establishment has the right to obtain substantially all the economic benefits from the use of the asset throughout the period of use; and
- The Establishment has the right to direct the use of the asset. The Establishment has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Establishment has the right to direct the use of the asset if either:

-The Establishment has the right to operate the asset; or
-The Establishment designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on a reassessment of a contract that contains a lease component, the Establishment allocates the consideration in the contract to each lease component based on their relative stand-alone prices.

However, where the contract is not separable into a lease and non-lease component then the Establishment has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Establishment determines the lease term as the non – cancellable period of a lease, together with both:

a) periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and
b) periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

In assessing whether a lessee is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, the Establishment considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Establishment revises the lease term if there is a change in the non-cancellable period of a lease.

4.14.1. 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 re-measurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, plus an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located and lease payments made at or before the commencement date less any lease incentives received unless the Establishment is reasonably certain to obtain ownership of the leased asset at the end of the lease term.

The recognised right-of-use assets are subsequently depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Also, the right-of-use assets are periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

4.14.2. Short-term leases and leases of low-value assets

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

4.14.3. Lease liability

The lease liability is initially recognised at the present value of the lease payments that are not paid in the commencement date. The lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the Establishment used its incremental borrowing rate.

After initial recognition, the lease liability is measured by:

a) Increasing the carrying amount to reflect interest on the lease liability;
b) Reducing the carrying amount to reflect the lease payments made; and
c) Remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Where,

a) There is a change in the lease term as a result of reassessment of certainty to exercise an exercise option, or not to exercise a termination option as discussed above; or

b) There is a change in the assessment of an option to purchase the underlying asset, assessed considering the events and circumstances in the contract of a purchase option, the Establishment remeasures the lease liability to reflect changes to lease payments by discounting the revised lease payments using a revised discount rate. The Establishment determined the revised discount rate as the interest rate implicit in the lease for the remainder of the lease term if that rate can be readily determined.

c) There is a change in the amounts expected to be payable under a residual value guarantee; or

d) There is a change in future lease payments resulting from a change in an index or a rate used to determine those payments, including a change to reflect changes in market rental rates following a market rent review. The Establishment remeasures the lease liabilities by discounting the revised lease payments using an unchanged discount rate unless the change in lease payments results from a change in floating interest rates. In such case, the Establishment use a revised discount rate that reflects a change in the interest rate.

The Establishment recognises the amount of the re-measurements of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero, and there is a further deduction in the measurement of the lease liability, the Establishment recognises any remaining amount of the re-measurement in profit or loss.

The Establishment accounts for a lease modification as a separate lease if both:

a) The modification increases the scope of the lease by adding the right to use one or more underlying assets; and

b) The consideration for the lease increase by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the context.

For lease modifications that are not accounted for as a separate lease, the Establishment, at the effective date of the lease modification:

a) Allocates the consideration in the modified contract;
b) Determines the lease term of the modified lease; and
c) Remeasures the lease liability by discounting the revised lease payments using a revised discount rate.

The revised discount rate is determined as the interest rate implicit in the lease for the remainder of the lease term if that rate can be readily determined, or the lessee’s incremental borrowing rate at the effective rate of the modification, if the interest rate implicit in the lease cannot be readily determined.

4.14.4. As lessor

The lease liability is initially recognised at the present value of the lease payments that are not paid in the Leases for which the Establishment is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement and required an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and arrangement conveys a right to use the asset.

When the Establishment is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of- use asset arising from the head lease.

When a contract includes both lease and non-lease components, the Establishment applies IFRS 15 to allocate the consideration under the contract to each component.

Operating lease:

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

4.15. Current and non-current classification

The Establishment presents assets and liabilities in the statement of financial position based on current/non-current classification.
An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period.
- 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 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.
- 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.

4.16. Revenue recognition

Revenue is recognized to the extent that the economic benefits will probably flow to the entity and 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, taking into account the contractually defined terms of payment and excluding discounts, rebates, returns, price adjustments and other transaction taxes or duties. The following specific recognition criteria must also be met before revenue is recognized:

4.16.1. Revenue from contracts with customers

Revenue from contracts with customers is considered in line with IFRS 15; which outlines a single comprehensive model of accounting for revenue arising from contracts with customers. It establishes a five-step model to recognize revenue arising from contracts with customers.

Step 1: Identify the contract with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for each of those rights and obligations.

Step 2: Identify the performance obligations in the contract: A performance obligation in a contract is a promise to transfer a good or service to the

Step 3: Determine the transaction price: Transaction price is the amount of consideration to which the Establishment expects to be entitled in exchange for transferring the promised goods and services to a customer, excluding amounts collected on behalf of third parties.

Step 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 consideration to which the Establishment expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognize revenue as and when the entity satisfies a performance obligation at a point or over time.

The Establishment recognizes revenue over time if any 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 obligation completed to date.

The Establishment allocates the transaction price to the performance obligations in a contract based on the input method which requires revenue recognition on the basis of the Establishment’s efforts or inputs to the satisfaction of the performance obligations. The Establishment estimates the costs to complete the projects in order to determine the amount of revenue to be recognized.

When the Establishment satisfies a performance obligation by delivering the promised goods and services, it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized, this gives rises to a contract liability.

4.16.2. Revenue from services

Revenue from services is recognized over time when it satisfies the performance obligation, based on the stage of completion agreed in the contract with customers. The stage of completion is assessed on the basis of the actual services performed as a percentage of the total services to be performed.

4.16.3. Leasing income
The service revenue is recognized by the Establishment at a point in time upon completion, and when it satisfies the performance obligation in line with the terms of the contract with the customer.

Rental income from operating leases is recognized on A straight-line basis over the term of the relevant lease under IFRS 16 "Leases". The initial direct cost incurred in negotiating and arranging an operating lease is added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

3.16.4. Serviced offices and co-working facilitie
Revenue from the provision of office space, desks, and meeting room access is recognized over time as the services are delivered. The customer receives and consumes the benefits simultaneously. Fees are typically billed monthly or in advance for fixed-term agreements. Any variable consideration (e.g., extra hours, overuse) is recognized when earned.

These agreements are generally cancellable or short-term and do not meet the definition of a lease under IFRS 16 due to the absence of a right to direct the use of the asset.

3.16.5. Registered office and address services
Revenue from business addresses, mail handling, and registered office services are recognized over time, typically on a straight-line basis over the contract period (e.g., monthly or annually). These services provide continuous access and support, and the customer benefits as the service is rendered.

3.16.6. Corporate support services
Revenue from corporate support services, including telephone answering, receptionist support, administrative assistance, and IT services, is recognized based on the nature of the service rendered. Where such services are provided on a recurring or subscription basis, revenue is recognized over time as the customer receives the benefit continuously throughout the service period. For ad hoc or one-off services, such as document processing, translation, or setup assistance, revenue is recognized at the point in time when the service is completed and the customer obtains the benefit.

4.17. Service expenses (Direct expenses)

Service expenses include direct operating expenses incurred in generating revenue. Expenses that are not immediately attributable to the generating of revenue are not included in the gross profit as reported. Service expenses are recognized over the term that the associated revenue is recognized.

5 Significant judgments and estimation uncertainty

The preparation of the financial statements in compliance with IFRS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur, which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.
Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5.1. Judgments

In the process of applying the Establishment’s accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

5.1.1. Revenue recognition

Management considers recognizing revenue over time; if one of the following criteria is met, otherwise, revenue will be recognized at a point in time:

- the customer simultaneously receives and consumes the benefits provided by the Establishment’s performance as the Establishment performs;
- 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.

Variable consideration
For certain contracts that involve usage-based fees or overages (e.g., additional meeting room hours, telecom usage), the Establishment estimates the amount of consideration to which it expects to be entitled. The estimation includes only amounts that are highly probable of not resulting in a significant reversal of revenue when the uncertainty is resolved.

Standalone selling prices for bundled services
Where customer contracts include multiple deliverables (e.g., office space, mail services, call answering), the total transaction price is allocated to each performance obligation based on the estimated standalone selling prices. These prices are determined using observable inputs where available or based on adjusted market assessments where necessary.

5.1.2. Judgements in determining the timing of satisfaction of performance obligations

The Establishment generally recognise revenue over time as it performs continuous transfer of control of goods/services to the customers. Because customers simultaneously receive and consume the benefits provided and the control transfer takes place over time, revenue is also recognised based on the extent of transfer/completion of the transfer of each performance obligation. In determining the method of measuring progress for these performance obligations, the Establishment considers the nature of these goods and services as well as the nature of its performance.

5.1.3. Determination of transaction prices

In the process of determining transaction prices in respect of its contracts with customers, the Establishment assesses the impact of any variable consideration in the contract due to discounts, penalties, the existence of any significant financing component or any non-cash consideration. In determining the impact of variable consideration, the Establishment uses the most likely amount method under IFRS 15 whereby the transaction price is determined by reference to the single most likely amount in a range of possible consideration amounts.

5.1.4. Transfer of control in contracts with customers

In cases where the Establishment determines that performance obligations are satisfied at a point in time, revenue is recognized when control over the assets is transferred to the customer or benefits of the services being provided is received and consumed by the customer.

When evaluating whether a customer obtains control of an asset, the Establishment considers its present right to payment for the asset, the customer's legal title to the asset, physical possession of the asset, significant risks and rewards related to the ownership of the asset, the acceptance of the asset by the customer and also any agreements to repurchase the assets.

In cases where the Establishment determines that performance obligations are satisfied at a point in time, revenue is recognised when control over the asset that is the subject of the contract is transferred to the customer. In the case of contracts to sell real estate assets this is generally when the consideration for the unit has been substantially received, and there are no impediments in the handing over of the unit to the customer.

5.1.5. Employees' end of service indemnity

Provision for employees' end of service indemnity is grouped as a non-current liability on the judgment that the employees of the Establishment will be continued in the future periods irrespective of their visa expiry dates and other employment terms and conditions.

5.1.6. Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated) including the consideration of the life of underlying assets on the premises.

5.1.7. Discounting of lease payments

The Establishment, as a lessee, measures the lease liability at the present value of the unpaid lease payments at the commencement date. The lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the Establishment uses its incremental borrowing rate.

The incremental borrowing rate is the rate of interest that the Establishment would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The Establishment determines its incremental borrowing rate with reference to its current and historical cost of borrowing adjusted for the term and security against such borrowing.

5.1.8. Contingencies

Contingent assets and liabilities are not recognized in the financial statements unless it is probable as a result of past events that an outflow of economic resources will be required to settle a present, a legal and constructive obligation; and the amount can be reliably estimated. Else, they are disclosed unless the possibility of an inflow or outflow, respectively of resources embodying economic benefits is remote.

5.1.9. Impairment of financial assets

In measuring the expected credit loss allowance for financial assets measured at amortised cost, management uses the Expected Credit Loss (ECL) model and assumptions about future economic conditions and credit behaviour such as likelihood of customer defaulting. Management considers the following judgements and estimates:

- Development of ECL model, including formula and choice of inputs;
- Determining the criteria if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a lifetime ECL basis and the qualitative assessments;
- The segmentation of financial assets when the ECL is assessed on a collective basis; and
- Determination of associations between macroeconomic scenarios and, economic inputs, and their effect on probability of default (PDs), exposure at default (EADs) and loss given default (LGD); and
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

The Establishment recognises lifetime expected credit loss (ECL) for accounts and other receivables using the simplified approach (Note 9.3)

5.2. Key sources of estimation uncertainty

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

5.2.1. Useful life of property, plant and equipment

Property, plant and equipment are depreciated over their estimated useful lives, which is based on expected usage of the asset and expected physical wear and tear which depends on operational factors. The management has not considered any residual value as it is deemed immaterial.

6 PROPERTY, PLANT AND EQUIPMENT

(Amount in AED)

Particulars	Capital work in progress*	Leasehold improvements	IT equipment	Office equipment	Furniture and fixtures	Total
COST:						
As at December 31, 2021	**-**	**1,64,03,357**	**23,70,819**	**2,39,306**	**37,76,914**	**2,27,90,396**
Additions	47,01,885	40,91,311	4,44,658	54,459	7,26,519	1,00,18,832
As at December 31, 2022	**47,01,885**	**2,04,94,668**	**28,15,477**	**2,93,765**	**45,03,433**	**3,28,09,228**
Additions	1,68,93,305	49,36,429	11,68,625	1,42,145	17,21,316	2,48,61,820
Transfer from capital work in progress	(1,72,14,325)	1,27,87,005	14,00,550	1,37,769	28,89,001	-
As at December 31, 2023	**43,80,865**	**3,82,18,102**	**53,84,652**	**5,73,679**	**91,13,750**	**5,76,71,048**
Additions	3,51,33,597	51,81,244	4,20,851	7,858	15,10,546	4,22,54,096
Transfer to related party	-	(1,86,39,272)	(8,63,541)	(2,40,593)	(37,84,016)	(2,35,27,422)
Write-offs	-	-	(3,88,918)	-	-	(3,88,918)
Transfer from capital work in progress	(3,95,14,462)	3,09,22,383	30,23,247	4,12,531	51,56,301	-
As at December 31, 2024	**-**	**5,56,82,457**	**75,76,291**	**7,53,475**	**1,19,96,581**	**7,60,08,804**
ACCUMULATED DEPRECIATION:						
As at December 31, 2021	**-**	**(49,31,443)**	**(13,56,730)**	**(1,43,130)**	**(12,14,434)**	**(76,45,737)**
Depreciation for the year	-	(19,95,350)	(4,77,504)	(50,562)	(5,30,654)	(30,54,070)
As at December 31, 2022	**-**	**(69,26,793)**	**(18,34,234)**	**(1,93,692)**	**(17,45,088)**	**(1,06,99,807)**
Depreciation for the year	-	(31,04,940)	(6,04,777)	(73,598)	(8,60,750)	(46,44,065)
As at December 31, 2023	**-**	**(1,00,31,733)**	**(24,39,011)**	**(2,67,290)**	**(26,05,838)**	**(1,53,43,872)**
Depreciation for the year	-	(56,24,152)	(10,68,286)	(99,900)	(14,92,850)	(82,85,188)
Write-offs	-	-	3,554	-	-	3,554
Transfers	-	3,44,905	47,975	8,020	84,089	4,84,989
As at December 31, 2024	**-**	**(1,53,10,980)**	**(34,55,768)**	**(3,59,170)**	**(40,14,599)**	**(2,31,40,517)**
CARRYING AMOUNT:						
As at December 31, 2024	**-**	**4,03,71,477**	**41,20,523**	**3,94,305**	**79,81,982**	**5,28,68,287**
As at December 31, 2023	**43,80,865**	**2,81,86,369**	**29,45,641**	**3,06,389**	**65,07,912**	**4,23,27,176**
As at December 31, 2022	**47,01,885**	**1,35,67,875**	**9,81,243**	**1,00,073**	**27,58,345**	**2,21,09,421**

(Amount in INR)

Particulars	Capital work in progress*	Leasehold improvements	IT equipment	Office equipment	Furniture and fixtures	Total
COST:						
As at December 31, 2021	**-**	**33,20,49,875**	**4,79,92,015**	**48,44,223**	**7,64,55,315**	**46,13,41,428**
Additions	10,05,96,359	8,75,33,190	95,13,413	11,65,145	1,55,43,801	21,43,51,908
Foreign currency translation reserve	52,96,204	4,19,83,501	59,02,774	6,06,602	94,24,050	6,32,13,131
As at December 31, 2022	**10,58,92,563**	**46,15,66,566**	**6,34,08,202**	**66,15,970**	**10,14,23,166**	**73,89,06,467**
Additions	37,96,90,545	11,09,50,191	2,62,65,782	31,94,823	3,86,87,954	55,87,89,295
Transfer from capital work in progress	(38,69,05,726)	28,73,98,167	3,14,78,482	30,96,468	6,49,32,609	-
Foreign currency translation reserve	3,60,833	40,81,708	5,78,362	61,900	9,90,817	60,73,620
As at December 31, 2023	**9,90,38,215**	**86,39,96,632**	**12,17,30,828**	**1,29,69,161**	**20,60,34,546**	**1,30,37,69,382**
Additions	80,01,92,265	11,80,06,459	95,85,176	1,78,971	3,44,03,743	96,23,66,614
Transfer to related party	-	(42,45,22,467)	(1,96,67,751)	(54,79,674)	(8,61,83,613)	(53,58,53,505)
Write-offs	-	-	(88,57,880)	-	-	(88,57,880)
Transfer from capital work in progress	(89,99,69,532)	70,42,78,918	6,88,56,567	93,95,682	11,74,38,365	-
Foreign currency translation reserve	7,39,052	3,41,16,007	46,73,050	4,71,182	74,98,590	4,74,97,881
As at December 31, 2024	**-**	**1,29,58,75,549**	**17,63,19,990**	**1,75,35,322**	**27,91,91,631**	**1,76,89,22,492**
ACCUMULATED DEPRECIATION:						
As at December 31, 2021	**-**	**(9,98,26,214)**	**(2,74,64,014)**	**(28,97,352)**	**(2,45,83,545)**	**(15,47,71,125)**
Depreciation for the year	-	(4,26,90,314)	(1,02,16,150)	(10,81,769)	(1,13,53,289)	(6,53,41,522)
Foreign currency translation reserve	-	(1,34,83,855)	(36,29,170)	(3,83,075)	(33,64,816)	(2,08,60,916)
As at December 31, 2022	**-**	**(15,60,00,383)**	**(4,13,09,334)**	**(43,62,196)**	**(3,93,01,650)**	**(24,09,73,563)**
Depreciation for the year	-	(6,97,86,010)	(1,35,92,847)	(16,54,174)	(1,93,46,045)	(10,43,79,076)
Foreign currency translation reserve	-	(10,00,995)	(2,36,541)	(26,255)	(2,62,485)	(15,26,276)
As at December 31, 2023	**-**	**(22,67,87,388)**	**(5,51,38,722)**	**(60,42,625)**	**(5,89,10,180)**	**(34,68,78,915)**
Depreciation for the year	-	(12,80,93,999)	(2,43,30,961)	(22,75,292)	(3,40,00,704)	(18,87,00,956)
Write-offs	-	-	80,945	-	-	80,945
Transfers	-	78,55,453	10,92,664	1,82,661	19,15,186	1,10,45,964
Foreign currency translation reserve	-	(93,00,379)	(21,28,632)	(2,23,564)	(24,34,459)	(1,40,87,034)
As at December 31, 2024	**-**	**(35,63,26,313)**	**(8,04,24,706)**	**(83,58,820)**	**(9,34,30,157)**	**(53,85,39,996)**
CARRYING AMOUNT:						
As at December 31, 2024	**-**	**93,95,49,236**	**9,58,95,284**	**91,76,502**	**18,57,61,474**	**1,23,03,82,496**
As at December 31, 2023	**9,90,38,215**	**63,72,09,244**	**6,65,92,106**	**69,26,536**	**14,71,24,366**	**95,68,90,467**
As at December 31, 2022	**10,58,92,563**	**30,55,66,183**	**2,20,98,868**	**22,53,774**	**6,21,21,516**	**49,79,32,904**

*The capital work in progress represents cost of leasehold improvement and furniture and fixtures on leased premises at AI Sila Tower 1, Abu Dhabi and the fit-out works in second half of Level 5 — DXB.1C3.08, Dubai.

7 Leases

7.1 Right of use asset

Particulars	Business center premises	
	AED	INR
COST:		
As at December 31, 2021	1,97,29,784	39,93,86,072
Additions	2,18,19,520	46,68,26,448
Foreign currency translation reserve		6,95,31,820
As at December 31, 2022	**4,15,49,304**	**93,57,44,340**
Additions	21,76,30,061	4,89,14,09,725
Remeasurement	(3,99,440)	(89,77,734)
Foreign currency translation reserve		3,20,61,433
As at December 31, 2023	**25,87,79,925**	**5,85,02,37,764**
Additions	8,19,15,978	1,86,56,93,740
Remeasurement	(7,69,56,111)	(1,75,27,29,297)
Derecognition	(11,36,99,179)	(2,58,95,78,391)
Foreign currency translation reserve		11,82,11,354
As at December 31, 2024	**15,00,40,613**	**3,49,18,35,170**
ACCUMULATED DEPRECIATION:		
As at December 31, 2021	(78,16,934)	(15,82,36,632)
Depreciation for the year	(36,22,266)	(7,74,98,019)
Foreign currency translation reserve		(2,18,91,004)
As at December 31, 2022	**(1,14,39,200)**	**(25,76,25,655)**
Depreciation for the year	(1,19,63,753)	(26,88,94,920)
Foreign currency translation reserve		(25,49,983)
As at December 31, 2023	**(2,34,02,953)**	**(52,90,70,558)**
On derecognition	83,62,071	19,04,52,020
Depreciation for the year	(1,21,03,021)	(27,56,54,775)
Foreign currency translation reserve		(1,74,35,884)
As at December 31, 2024	**(2,71,43,903)**	**(63,17,09,197)**
CARRYING AMOUNT:		
As at December 31, 2024	**12,28,96,710**	**2,86,01,25,973**
As at December 31, 2023	**23,53,76,972**	**5,32,11,67,206**
As at December 31, 2022	**3,01,10,104**	**67,81,18,685**

Property	**Location**
Unit 1,2 Level 12, Al Sila Tower, Abu Dhabi Gloal Market	Abu Dhabi
Level 7, 25, Al Maryah Tower	Abu Dhabi
Building No 3, Level 3, 5, One Central, Dubai World Trade	Dubai

7.2 Lease liabilities

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Opening balance	25,29,47,356	3,80,15,450	1,90,81,056	5,71,83,80,877	85,61,57,354	38,62,54,000
Additions during the year	8,19,15,978	21,76,30,061	2,18,19,520	1,86,56,93,740	4,89,14,09,725	46,68,26,448
Remeasurement	(7,32,95,049)	(3,99,440)	-	(1,66,93,46,048)	(89,77,734)	-
Derecognition	(11,88,12,623)	-	-	(2,70,60,40,658)	-	-
Add: Finance cost (Note 22)	1,53,60,504	58,52,129	17,70,966	34,98,46,231	13,15,31,281	3,78,89,640
Less: payments during the year	(2,29,12,968)	(81,50,844)	(46,56,092)	(52,18,58,885)	(18,31,96,740)	(9,96,16,623)
Foreign currency translation reserve				10,98,54,689	3,14,56,991	6,48,03,889
Closing Balance	**13,52,03,198**	**25,29,47,356**	**3,80,15,450**	**3,14,65,29,946**	**5,71,83,80,877**	**85,61,57,354**
Presented in the statement of financial position as:						
Current	98,31,497	1,41,85,202	50,96,326	22,88,04,497	32,06,84,862	11,47,75,887
Non-current	12,53,71,701	23,87,62,154	3,29,19,124	2,91,77,25,449	5,39,76,96,015	74,13,81,467
Total	**13,52,03,198**	**25,29,47,356**	**3,80,15,450**	**3,14,65,29,946**	**5,71,83,80,877**	**85,61,57,354**

T E C BUSINESS CENTER FZE
Dubai - United Arab Emirates
TRANSLATED VERSION OF NOTES TO THE FINANCIAL STATEMENTS

8 Related party transactions

8.1 Due from related parties

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
From entities under common management and control:						
The Executive Centre Limited, Cayman Islands (Hong Kong Branch)	1,36,969	85,825	1,327	31,87,625	19,40,246	29,886
The Executive Centre Hong Kong Limited, Hong Kong	14,083	14,083	14,083	3,27,748	3,18,374	3,17,167
The Executive Centre Singapore PTE LTD, Singapore	2,564	-	-	59,671	-	-
TEC Managed Solutions FZE	12,11,609	-	-	2,81,97,292	-	-
TEC Managed Solutions Holding Limited	56,189	-	-	13,07,664	-	-
The Executive Centre Integrated for Business Solutions, KSA	17,08,625	1,00,994	-	3,97,64,146	22,83,171	-
Total	**31,30,039**	**2,00,902**	**15,410**	**7,28,44,146**	**45,41,791**	**3,47,053**

8.2 Due to related parties (Non-current)

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
From entities under common management and control:						
The Executive Centre Limited, Cayman Islands (Hong Kong Branch)*	3,94,17,471	2,18,56,283	2,11,47,897	91,73,47,036	49,41,04,990	47,62,78,133
India and China Is missing						
From shareholder:						
The Executive Centre Singapore PTE LTD, Singapore**	38,69,235	38,37,692	37,55,218	9,00,47,158	8,67,58,703	8,45,72,391
Total	**4,32,86,706**	**2,56,93,975**	**2,49,03,115**	**1,00,73,94,194**	**58,08,63,693**	**56,08,50,524**

*The Establishment obtains credit facility from the related parties. The facility carries interest at the rate of 3.5% to 6% per annum and repayable on demand.

**Loan from shareholder includes loan amounting to AED 100,000/- which carries an interest rate of LIBOR+ 3.35% per annum. The remaining balance of loan from shareholder is interest free and shall be repayable on demand. However, the entire portion of these loans are not payable within one year as per the mutual agreement between the parties.

8.3 Due to related parties (Current)

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
To enties under common management and control:						
The Executive (Shanghai) Business Services Co. Ltd., China	5,666	5,666	-	1,31,863	1,28,091	-
Executive Centre India Private Limited, India	22,95,145	5,38,957	-	5,34,13,992	1,21,84,201	-
Total	**23,00,811**	**5,44,623**	**-**	**5,35,45,855**	**1,23,12,292**	**-**

The Establishment enters into transactions with parties that fall within the definition of a related party as contained in International Accounting Standard 24. Related parties comprise entities under common ownership and/or common management and control and key management personnel. The shareholder and the management decide on the terms and conditions of the transactions and services received/rendered from/to related parties as well as on other charges.

During the year, the Establishment entered into the following transactions with related parties:

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
With entities under common management and control:						
Loan interest (Note 22)	18,95,034	7,21,041	6,46,213	4,31,60,726	1,62,05,973	1,38,25,663
Net funding transactions	-	(1,59,807)	-	-	(35,91,790)	-
Management fee and royalty (Note 23)	1,02,01,669	-	-	23,23,50,153	-	-
Staff cost recharge (Note 19)	15,66,857	-	-	3,56,86,265	-	-
Transfer of property, plant and equipment	1,52,42,234	-	-	34,71,52,549	-	-
Purchase of property, plant and equipment	3,17,645	-	-	72,34,587	-	-

9. Accounts and other receivables

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Receivable from customers	40,58,496	31,80,875	23,86,653	9,44,51,754	7,19,10,041	5,37,50,528
Less: loss allowance (Note 9.3)	(1,06,177)	(1,73,306)	(87,346)	(24,71,015)	(39,17,929)	(19,67,145)
	39,52,319	**30,07,569**	**22,99,307**	**9,19,80,739**	**6,79,92,112**	**5,17,83,383**
Advance to suppliers	24,456	3,301	-	5,69,155	74,626	-
Deposits	27,58,191	33,87,288	11,04,274	6,41,90,276	7,65,76,420	2,48,69,686
Prepayments	38,59,056	81,13,484	22,24,655	8,98,10,265	18,34,21,534	5,01,02,121
Staff advances	-	4,168	-	-	94,226	-
Others	2,71,411	17,885	-	63,16,440	4,04,326	-
Total	**1,08,65,433**	**1,45,33,695**	**56,28,236**	**25,28,66,875**	**32,85,63,244**	**12,67,55,190**
Presented in the Statement of financial position:						
Current	77,14,809	66,24,474	42,24,655	17,95,43,664	14,97,59,485	9,51,44,721
Non-current	31,50,624	79,09,221	14,03,581	7,33,23,211	17,88,03,759	3,16,10,469
Total	**1,08,65,433**	**1,45,33,695**	**56,28,236**	**25,28,66,875**	**32,85,63,244**	**12,67,55,190**

9.1 Age-wise analysis of accounts receivable

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Not past due	17,56,453	8,47,877	4,25,884	4,08,77,228	1,91,67,955	95,91,461
Past due:						
Less than 60 days	21,95,866	20,69,954	17,41,158	5,11,03,511	4,67,95,450	3,92,13,142
61 days — 90 days	-	1,43,070	11,153	-	32,34,383	2,51,180
91 days — 365 days	-	11,754	1,50,755	-	2,65,723	33,95,199
More than 365 days	1,06,177	1,08,220	57,703	24,71,015	24,46,530	12,99,547
	40,58,496	**31,80,875**	**23,86,653**	**9,44,51,754**	**7,19,10,041**	**5,37,50,529**

The Establishment measures the loss allowances for accounts receivables at an amount equal to lifetime ECL using the simplified approach. The expected credit loss on accounts receivables is estimated by using a provision matrix by reference to past default experience of debtors and an analysis of debtor's current financial positions, adjusted for factors that are specific to the debtors' economic conditions of the industry.

9.2 Provision matrix for loss allowance

Accounts receivables	Expected loss rate		
	2024	**2023**	**2022**
Less than 60 days	0%	0%	0%
61 days - 90 days	0%	37.28%	0%
91 days -365 days	0%	100%	19.67%
More than 365 days	100%	100%	100%

The Establishment does not hold any collateral or other credit enhancements over these balances, nor does it have a legal right of offset against any amounts owed by the Establishment to the counterparty. The average credit period is 60 days. No interest is being charged on accounts receivables. The Establishment has no significant concentration of credit risk with exposure spread over a large number of customers.

9.3 Movement in loss allowance of accounts receiviables

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Opening balance	1,73,306	87,346	50,294	39,17,929	19,67,145	10,18,091
Loss allowance on receivables (Note 21)	(67,129)	85,960	37,052	(15,28,910)	19,32,020	7,92,724
Foreign currency translation reserve				81,996	18,764	1,56,330
Total	**1,06,177**	**1,73,306**	**87,346**	**24,71,015**	**39,17,929**	**19,67,145**

9.4 Geographical analysis of accounts receivables

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Within UAE	40,58,496	31,80,875	23,86,653	9,44,51,754	7,19,10,041	5,37,50,528

10 Other financial assets

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Margin Deposit	1,50,000	-	-	34,90,890	-	-
Total	**1,50,000**	**-**	**-**	**34,90,890**	**-**	**-**

11 Cash and cash equivalents

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Cash in hand	26,369	7,601	7,807	6,13,675	1,71,836	1,75,824
Bank balances:						
In current accounts	2,32,57,519	1,94,42,919	74,48,664	54,12,62,937	43,95,46,070	16,77,53,597
Total	**2,32,83,888**	**1,94,50,520**	**74,56,471**	**54,18,76,612**	**43,97,17,906**	**16,79,29,421**

12 Provision for employees' end of service indemnity

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Opening balance	3,95,028	2,79,813	1,78,772	89,30,398	63,01,753	36,18,846
Charges for the year	3,30,877	1,25,175	1,01,041	75,35,955	28,13,408	21,61,762
Payments during the year	(10,641)	(9,960)	-	(2,42,356)	(2,23,859)	-
Foreing currency translation reserve	-	-	-	4,22,056	39,096	5,21,145
Total	**7,15,264**	**3,95,028**	**2,79,813**	**1,66,46,053**	**89,30,398**	**63,01,753**

13 Accounts and other payables

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Payable to suppliers	12,03,013	25,83,070	7,65,481	2,79,97,240	5,83,95,463	1,72,39,627
Accruals	26,84,839	12,47,286	4,72,746	6,24,83,184	2,81,97,395	1,06,46,854
Provision for staff benefits	2,07,825	1,70,120	1,32,129	48,36,628	38,45,903	29,75,717
Payable against property, plant and equipment	15,78,776	51,04,329	14,91,239	3,67,42,222	11,53,93,566	3,35,84,641
VAT payable	1,70,730	27,805	38,423	39,73,331	6,28,588	8,65,336
Refundable deposits*	1,37,67,783	2,05,80,800	53,85,183	32,04,12,107	46,52,70,146	12,12,81,322
Total	**1,96,12,966**	**2,97,13,410**	**82,85,201**	**45,64,44,712**	**67,17,31,061**	**18,65,93,497**

*Refundable deposits represent the security deposit made by the customer as per the terms of contract.

14 Deferred revenue

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Deferred revenue	1,61,82,693	1,16,97,077	62,36,660	37,66,13,341	26,44,35,820	14,04,57,691

Represents the invoice raised in advance for the subsequent year which will be allocated over the period of lease contract.

15 Revenue

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Service revenue	1,19,44,121	99,73,189	65,46,967	27,20,35,717	22,41,55,401	14,00,71,704
Income from leasing of commercial space	6,26,49,901	3,46,14,691	1,60,34,648	1,42,68,95,350	77,79,92,872	34,30,59,690
Total	**7,45,94,022**	**4,45,87,880**	**2,25,81,615**	**1,69,89,31,067**	**1,00,21,48,273**	**48,31,31,394**

15.1 Geographical and recognition analysis of revenue

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
At a point in time	63,78,158	36,54,096	19,77,999	14,52,67,013	8,21,28,731	4,23,19,091
Over a period of time	6,82,15,864	4,09,33,784	2,06,03,616	1,55,36,64,054	92,00,19,542	44,08,12,303
Total	**7,45,94,022**	**4,45,87,880**	**2,25,81,615**	**1,69,89,31,067**	**1,00,21,48,273**	**48,31,31,394**

16 Service expenses

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Service charges*	44,54,428	19,49,268	11,18,048	10,14,52,716	4,38,11,358	2,39,20,525
Pantry and housekeeping expenses	15,55,316	9,14,658	4,76,362	3,54,23,411	2,05,57,670	1,01,91,717
Communication	23,37,452	17,96,288	7,79,654	5,32,37,106	4,03,73,010	1,66,80,619
Utilities	8,28,956	4,55,246	2,94,893	1,88,80,053	1,02,32,018	63,09,206
Other direct expenses	16,28,883	6,99,325	5,18,741	3,70,98,951	1,57,17,889	1,10,98,412
Total	**1,08,05,035**	**58,14,785**	**31,87,698**	**24,60,92,237**	**13,06,91,945**	**6,82,00,479**

*Service charges represent fees paid for leased office spaces. These charges are levied by the head lessor to cover the cost of common area maintenance within the building where the business centers or offices are located.

17 Other Income

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Gain on lease modification	1,34,75,515	-	-	30,69,14,287	-	-
Total	**1,34,75,515**	**-**	**-**	**30,69,14,287**	**-**	**-**

18 Depreciation

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Depreciation of property, plant and equipment (Note 6)	82,81,634	46,44,065	30,54,070	18,86,20,011	10,43,79,076	6,53,41,522
Depreciation of right of use assets (Note 7.1)	1,21,03,021	1,19,63,753	36,22,266	27,56,54,775	26,88,94,920	7,74,98,019
Total	**2,03,84,655**	**1,66,07,818**	**66,76,336**	**46,42,74,786**	**37,32,73,996**	**14,28,39,541**

19 Staff cost

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Salaries and allowances	49,71,771	30,93,546	19,31,139	11,32,35,565	6,95,29,921	4,13,16,526
Staff cost recharge	15,66,857	-	-	3,56,86,265	-	-
Staff benefits	62,13,783	38,83,689	14,73,762	14,15,23,257	8,72,89,017	3,15,30,991
Others	5,73,277	3,20,762	1,51,779	1,30,56,785	72,09,383	32,47,297
Total	**1,33,25,688**	**72,97,997**	**35,56,680**	**30,35,01,872**	**16,40,28,321**	**7,60,94,814**

20 Business promotion

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Advertisement and marketing	7,40,032	7,82,185	5,28,860	1,68,54,747	1,75,80,234	1,13,14,907
Travelling	3,64,150	1,99,140	1,45,206	82,93,771	44,75,831	31,06,668
Agency fees*	26,28,317	22,16,030	11,92,162	5,98,61,759	4,98,07,047	2,55,06,187
Total	**37,32,499**	**31,97,355**	**18,66,228**	**8,50,10,277**	**7,18,63,112**	**3,99,27,762**

*Represents the fee or commission for sourcing a suitable property for the tenant.

21 General and administrative expenses

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
License and professional	11,55,719	4,85,507	3,38,981	2,63,22,309	1,09,12,158	72,52,465
Loss allowance on receivables	(67,129)	85,960	37,052	-15,28,910	19,32,020	7,92,724
Loss on remeasurement of lease liabilities	36,61,062	-	-	8,33,83,250	-	-
Bank charges	1,95,349	1,60,120	1,04,179	44,49,210	35,98,825	22,28,899
Printing and stationery	1,19,922	77,236	26,200	27,31,307	17,35,941	5,60,546
Office expenses	15,99,629	3,85,908	2,40,064	3,64,32,670	86,73,591	51,36,145
Postage	30,526	17,229	14,617	6,95,251	3,87,236	3,12,729
Travelling	5,75,093	4,42,729	1,20,392	1,30,98,146	99,50,688	25,75,775
Insurance	39,030	9,450	10,545	8,88,936	2,12,396	2,25,609
Exchange rate loss	60,329	1,34,223	15,092	13,74,035	30,16,769	3,22,892
Total	**73,69,530**	**17,98,362**	**9,07,122**	**16,78,46,204**	**4,04,19,624**	**1,94,07,784**

22 Finance cost

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Interest on loan from related party (Note 8.2)	18,95,034	7,21,041	6,46,213	4,31,60,726	1,62,05,973	1,38,25,663
Interest on lease liabilities (Note 7.2)	1,53,60,504	58,52,129	17,70,966	34,98,46,231	13,15,31,281	3,78,89,640
Total	**1,72,55,538**	**65,73,170**	**24,17,179**	**39,30,06,957**	**14,77,37,254**	**5,17,15,303**

23 Management fee and royalty

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Management fee*	23,12,146	-	-	5,26,60,744	-	-
Royalty charges**	78,89,523	-	-	17,96,89,409	-	-
Total	**1,02,01,669**	**-**	**-**	**23,23,50,153**	**-**	**-**

*The management fee represent the amount charged by the related party for providing services related to business development, marketing, advisement, and administrative support.
**Royalty is calculated in accordance with the terms of the Royalty Agreement for the use of the related party's trade name.

24 Capital commitments

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Commitment related to capital work in progress	-	1,84,31,644	-	-	41,66,84,176	-

It is towards leasehold improvement and furniture and fixtures on leased premises at AI Sila Tower 1, Abu Dhabi and the fit-out works in second half of Level 5 — DXB.1C3.0

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Within 1 year	-	1,84,31,644	-	-	41,66,84,176	-

25 Financial instruments

Significant accounting policies

Details of significant policies and methods adopted including the criteria for recognition for the basis of measurement in respect of each class of financial assets and financial liabilities are disclosed in Note 4 to the financial statements.

Categories of financial instruments

Management considers that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their fair values.

Financial assets

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Measured at amortised cost:						
Cash and cash equivalents	2,32,83,888	1,94,50,520	74,56,471	54,18,76,612	43,97,17,906	16,79,29,421
Accounts and other receivables (less prepayments and advances)	69,81,921	64,16,910	34,03,581	16,24,87,455	14,50,67,084	7,66,53,069
Due from related parties	31,30,039	2,00,902	15,410	7,28,44,146	45,41,791	3,47,053
Other financial asset	1,50,000	-	-	34,90,890	-	-
	3,35,45,848	**2,60,68,332**	**1,08,75,462**	**78,06,99,103**	**58,93,26,781**	**24,49,29,543**

Financial liabilities

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Measured at amortised cost:						
Accounts and other payables (less VAT payable)	1,94,42,236	2,96,85,605	82,46,778	45,24,71,381	67,11,02,473	18,57,28,161
Loan from related parties	4,32,86,706	2,56,93,975	2,49,03,115	1,00,73,94,194	58,08,63,693	56,08,50,524
Due to related parties	23,00,811	5,44,623	-	5,35,45,855	1,23,12,292	-
Lease liabilities	13,52,03,198	25,29,47,356	3,80,15,450	3,14,65,29,946	5,71,83,80,877	85,61,57,354
	20,02,32,951	**30,88,71,559**	**7,11,65,343**	**4,65,99,41,376**	**6,98,26,59,335**	**1,60,27,36,039**

26 Financial and other risk management

Management reviews overall financial and other risks covering specific areas, such as capital risk, liquidity risk, credit risk and market risk.

The Establishment's profile concerning exposure to financial risks identified below continues to be consistent.

26.1 Capital risk management

The capital is being managed by the Establishment in such a way that it is able to continue as a going concern while maximizing returns to investor. The Establishment's overall strategy remains unchanged from previous year.

The capital structure of the Establishment consists of equity attributable to the shareholder of the Establishment; comprising of share capital and accumulated deficit as disclosed in the statement of changes in equity.

26.2 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and prices will affect the Establishment's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return. The Establishment's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

26.2.1 Foreign currency risk

The Establishment's currency risk exposure relates to the exposure to the fluctuations in the foreign currency rates. There is no significant impact on USD as the UAE Dirham is pegged to the USD.

The carrying amount of the Establishment's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	31 Dec 2024 AED	31 Dec 2023 AED	31 Dec 2022 AED	31 Dec 2024 INR	31 Dec 2023 INR	31 Dec 2022 INR
Bank balances:						
In USD	17,56,253	5,16,772	2,92,440	4,08,72,574	1,16,82,665	65,86,129
Due from related party:						
In SGD	2,564	-	-	59,671	-	-
In HKD	1,51,052	99,908	15,410	35,15,373	22,58,620	3,47,053
In SAR	17,08,625	-	-	3,97,64,146	-	-
Loan from related party:						
In SGD	38,69,235	38,37,692	37,55,218	9,00,47,158	8,67,58,703	8,45,72,391
In USD	3,94,17,471	2,18,56,283	2,11,47,897	91,73,47,036	49,41,04,990	47,62,78,133
Due to related party:						
In INR	22,95,145	5,38,957	-	5,34,13,992	1,21,84,201	-
In CNY	5,666	-	-	1,31,863	-	-

Foreign currency sensitivity analysis

The sensitivity analysis has only considered the currencies other than USD. The following table details the sensitivity of the Establishment to a 5% increase or decrease in the AED against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit where the AED weakens 5% against the relevant currency.

26.3 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Establishment and arises principally from the Establishment's accounts and other receivables, due from customers related party balances and bank balances. The Establishment has adopted a policy of only dealing with creditworthy counterparties.

The Establishment attempts to control credit risk by monitoring credit exposures, limiting transactions with specific non-related counterparties, and continually assessing the creditworthiness of such non-related counterparties.

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries.

The concentration of credit risk arises when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have identical economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. The concentration of credit risk indicates the relative sensitivity of the Establishment's performance to developments affecting a particular industry or geographic location. All balances with banks represent local commercial banks.

The amount that best represents maximum credit risk exposure on financial assets at the end of the reporting period, in the event counterparties fail to perform their obligations, generally approximates their carrying value. Accounts and other receivables and balances with banks are not secured by any collateral.

The tables below detail the credit quality of the Establishment's financial assets, contract assets and financial guarantee contracts, as well as the Establishment's maximum exposure to credit risk by credit risk rating grades.

Credit risk grading framework:
The Establishment's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit fosses (ECL)
Performing	The counterparty has a low risk of default and does not have any past-due amounts	12 month ECL
Doubtful	The amount is >60 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL — not credit-impaired
In default	The amount is >365 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL — credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Establishment has no realistic prospect of recovery.	The amount is written off

The tables below detail the credit quality of the Establishment's financial assets and other items, as well as maximum exposure to credit risk by credit risk rating grades:

(Amount in AED)

Group	Rating	12 month or Lifetime ECL	Gross carrying amount	Loss allowance	Netcarrying amount
December 31, 2024					
Accounts receivables	(i)	Lifetime ECL (Simplified approach)	40,58,496	(1,06,177)	**39,52,319**
December 31, 2023					
Accounts receivables	(i)	Lifetime ECL (Simplified approach)	31,80,875	(1,73,306)	**30,07,569**
December 31, 2022					
Accounts receivables	(i)	Lifetime ECL (Simplified approach)	23,86,653	(87,346)	**22,99,307**

(Amount in INR)

Group	Rating	12 month or Lifetime ECL	Gross carrying amount	Loss allowance	Netcarrying amount
December 31, 2024					
Accounts receivables	(i)	Lifetime ECL (Simplified approach)	9,44,51,754	(24,71,015)	**9,19,80,739**
December 31, 2023					
Accounts receivables	(i)	Lifetime ECL (Simplified approach)	7,19,10,041	(39,17,929)	**6,79,92,112**
December 31, 2022					
Accounts receivables	(i)	Lifetime ECL (Simplified approach)	5,37,50,528	(19,67,145)	**5,17,83,383**

(i) For accounts receivables, the Establishment has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The Establishment determines the expected credit losses on these items based on historical credit loss experience, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

26.4 Liquidity risk

Liquidity risk refers to the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities at maturity date. The Establishment manages the liquidity risk through risk management framework for the Establishment's short, medium and long-term funding and liquidity requirements by maintaining sufficient cash and cash equivalents to ensure that funds are available to meet its commitments for liabilities as they fall due.

The table below analyses the Establishment's remaining contractual maturity for its financial liabilities based on the remaining period at the end of the reporting period to the contractual maturity date. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. The contractual maturity is based on the earliest date on which the Establishment may be required to pay.

Particulars	Within 1 year AED	More than 1 year AED	Total AED	Within 1 year INR	More than 1 year INR	Total INR
As at December 31, 2024						
Measured at amortiser/ cost:						
Accounts and other payables (less VAT payable)	1,94,42,236	-	1,94,42,236	45,24,71,382	-	45,24,71,382
Loan from related parties	-	4,32,86,706	4,32,86,706	-	1,00,73,94,194	1,00,73,94,194
Due to related parties	23,00,811	-	23,00,811	5,35,45,854	-	5,35,45,854
Lease liabilities	98,31,497	12,53,71,701	13,52,03,198	22,88,04,497	2,91,77,25,449	3,14,65,29,946
	3,15,74,544	**16,86,58,407**	**20,02,32,951**	**73,48,21,733**	**3,92,51,19,643**	**4,65,99,41,376**
As at December 31, 2023						
Measured at amortiser/ cost:						
Accounts and other payables (less VAT payable)	2,96,85,605	-	2,96,85,605	67,11,02,472	-	67,11,02,472
Loan from related parties	-	2,56,93,975	2,56,93,975	-	58,08,63,693	58,08,63,693
Due to related parties	5,44,623	-	5,44,623	1,23,12,292	-	1,23,12,292
Lease liabilities	1,41,85,202	23,87,62,154	25,29,47,356	32,06,84,862	5,39,76,96,015	5,71,83,80,877
	4,44,15,430	**26,44,56,129**	**30,88,71,559**	**1,00,40,99,626**	**5,97,85,59,708**	**6,98,26,59,334**
As at December 31, 2022						
Measured at amortised cost:						
Accounts and other payables (less VAT payable)	82,46,778	-	82,46,778	18,57,28,161.00	-	18,57,28,161
Loan from related parties	-	2,49,03,115	2,49,03,115	-	56,08,50,524.00	56,08,50,524
Lease liabilities	50,96,326	3,29,19,124	3,80,15,450	11,47,75,887.00	74,13,81,467.00	85,61,57,354
	1,33,43,104	**5,78,22,239**	**7,11,65,343**	**30,05,04,048**	**1,30,22,31,991**	**1,60,27,36,039**

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27 Corporate Tax

On December 09, 2022, the Ministry of Finance in the UAE issued Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax law, CT) in the UAE regime, marking a significant milestone as it sets a general corporate income tax for the first time.

The CT Law will become effective for financial years beginning on or after June 01, 2023. The Cabinet of Ministers Decision No. 116 of 2022 provides clear and comprehensive guidelines, specifying the income threshold (AED 375,000) over which the 9% tax rate would apply and a rate of 0% on qualifying income of free zone entities. Accordingly, the Law is now substantively enacted for accounting purposes.

For the Establishment, current taxes as per the U.A.E Corporate Tax Law shall be accounted for as appropriate in the financial statements for the period beginning January 01, 2024. In accordance with IAS 12 Income Taxes, the Establishment has assessed the deferred tax implications for the year ended December 31, 2023, where the carrying amount differs from the tax base and, after considering its interpretations of applicable tax law, official pronouncements, cabinet decisions, ministerial decisions, and transition rules; it has been concluded that deferred tax implications related to the U.A.E Corporate Tax Law are not material.

The Establishment is registered in the Dubai World Trade Centre (DWTC), which is recognized as a Qualifying Free Zone under the United Arab Emirates (UAE) Corporate Tax Law (Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses).

The Establishment has assessed its status under the UAE Corporate Tax Law and concluded that it meets the conditions to be treated as a Qualifying Free Zone Person for the financial year ended 31 December 2024. The Establishment conducts both Qualifying Activities and Non-Qualifying Activities, as defined under the relevant Cabinet and Ministerial Decisions. Separate accounting records are maintained to track income and expenses for each type of activity in accordance with regulatory requirements.

Income derived from Qualifying Activities is eligible for the 0% Corporate Tax rate; therefore, no corporate tax provision has been recognized on this portion of revenue.

The Establishment incurred a loss of AED 2,184,652/- concerning its Non-Qualifying Activities during the year 2024. However, management has elected not to carry forward these tax losses for future periods. Accordingly, no deferred tax asset has been recognized in these financial statements.

The Establishment continues to monitor its activities and the applicable tax regulations to ensure ongoing compliance with the UAE Corporate Tax regime.

28 Comparative figures

Specific comparative figures have been reclassified/regrouped, wherever necessary, as to conform to the presentation adopted in these financial statements.

For Manian & Rao
Chartered Accountants
Firm Registration No - 001983S

PARESH DAGA Digitally signed by PARESH DAGA Date: 2025.07.14 19:32:36 +05'30'

Paresh Daga
Partner
Membership No. 211468

Place : Bangalore
Date : July 14, 2025

FOR T E C BUSINESS CENTER FZE

Vijayalakshmi Venkatakrishna
Authorised Signatory

Place : Mumbai
Date : July 14, 2025