

CHEMHUB TRADING GROUP

Consolidated Financial Statements

31 March 2026

Registered office:

Unit No. 438, DMCC Business Centre, Level 5,
Jewellery and Gemplex 2,
Dubai, U.A.E.

CHEMHUB TRADING GROUP

Consolidated Financial Statements **31 March 2026**

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Independent Auditors' Report to the Directors of CHEMHUB TRADING GROUP

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **CHEMHUB TRADING GROUP** (The "Group"), which comprises of the Statement of Consolidated Financial Position as at 31 March 2026, the Statement of Consolidated Comprehensive Income, Statement of Consolidated Changes in Equity and Statement of Consolidated Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and explanatory notes.

In our opinion, the Consolidated Financial Statements present fairly, in all material respects the financial position of the Group as of 31 March 2026 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in the U.A.E., and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

Other Information and Matters

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

VAT returns are prepared and filed by the management and are subject to assessment by the Local Tax Authorities of each reporting entity.

The Group engaged a third-party service provider as its tax advisors and based on their advice, the taxable income of the Group will be subject to Corporate Tax of each reporting entity.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we concluded that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.



**Independent Auditors' Report to the Directors of
CHEMHUB TRADING GROUP (continued)**

Responsibilities of Management and Those Charged With Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these Consolidated Financial Statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern.
- If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.



**Independent Auditors' Report to the Directors of
CHEMHUB TRADING GROUP (continued)**

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Further, as required by the U.A.E. Federal Law No. 32 of 2021, we report that:

- We have obtained all information and explanations necessary for our audit;
- The Consolidated Financial Statements have been prepared and comply, in all material respects, with the applicable provisions of the U.A.E. Federal Law No. 32 of 2021;
- The Group has maintained proper books of accounts;
- Proper financial records have been maintained by the Group;
- Disclosures relating to related party's transactions, during the year and the balances as of the reporting date is disclosed in note # 15.
- Based on the information made available to us, nothing has come to our attention which causes us to believe that the Group has contravened during the financial year ended 31 March 2026 any of the applicable provisions of the U.A.E. Federal Law No. 32 of 2021 or its Articles of Association, which would materially effect its activities or on its financial position, as at 31 March 2026.

ASD ZAVERI AUDITORS & ACCOUNTANTS

Dubai, U.A.E.

Sunil Rashmikumar Zaveri
(Registration # 1091)
20 May 2026





CHEMHUB TRADING GROUP

Statement of Consolidated Financial Position
At 31 March 2026

	<i>Notes</i>	2026 <u>US \$</u>	2025 <u>US \$</u>
ASSETS			
Current assets			
Goods in transit		233,893	7,440
Trade and other receivables	7	1,523,942	3,623,495
Cash and bank balances	8	750,350	23,187
Total current assets		<u>2,508,185</u>	<u>3,654,122</u>
TOTAL ASSETS		<u>2,508,185</u>	<u>3,654,122</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	9	54,495	54,495
Retained profits		430,614	160,955
Total equity		<u>485,109</u>	<u>215,450</u>
Current liabilities			
Taxes	10	17,201	25,000
Trade and other payables	11	2,005,875	3,413,672
		<u>2,023,076</u>	<u>3,438,672</u>
TOTAL EQUITY AND LIABILITIES		<u>2,508,185</u>	<u>3,654,122</u>

The accompanying notes 1 to 21 form an integral part of these Consolidated Financial Statements.

The Independent Auditors' Report is set forth on pages 1 – 3.

Approved by board of directors on 20 May 2026 and signed on their behalf by:

For CHEMHUB TRADING GROUP

Manish Pravinchandra Kiri
Director



CHEMHUB TRADING GROUP

Statement of Consolidated Comprehensive Income
for the year ended 31 March 2026

	<i>Notes</i>	<i>2026 US \$</i>	<i>2025 US \$</i>
Revenue	12	8,384,395	12,041,458
Cost of revenue	13	(7,697,811)	(11,211,776)
Gross profit		686,584	829,682
Expenses	14	(399,954)	(453,560)
Profit for the year before taxes		286,630	376,122
Taxes	10	(16,971)	(25,000)
Profit for the year after taxes		269,659	351,122
Other comprehensive income		-	-
Total comprehensive income for the year		269,659	351,122

The accompanying notes 1 to 21 form an integral part of these Consolidated Financial Statements.

For CHEMHUB TRADING GROUP

Manish Pravinchandra Kiri
Director



CHEMHUB TRADING GROUP

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

	<i>Share capital US \$</i>	<i>(Accumulated Losses) / Retained Profits US \$</i>	<i>Total US \$</i>
As at 31 March 2024	54,495	(190,167)	(135,672)
Profit for the year	-	351,122	351,122
As at 31 March 2025	54,495	160,955	215,450
Profit for the year	-	269,659	269,659
As at 31 March 2026	<u>54,495</u>	<u>430,614</u>	<u>485,109</u>

The accompanying notes 1 to 21 form an integral part of these Consolidated Financial Statements.



CHEMHUB TRADING GROUP

Statement of Consolidated Cash Flows
for the year ended 31 March 2026

	<i>Notes</i>	2026 <u>US \$</u>	2025 <u>US \$</u>
<u>Cash flows from operating activities</u>			
Profit for the year before taxes		286,630	376,122
Changes in goods in transit		(226,453)	70,356
Changes in trade and other receivables		2,099,553	(985,697)
Changes in prepayments		-	4,595
Changes in trade and other payables		(1,407,797)	320,998
Net cash flows from / (used in) operations		751,933	(213,626)
Corporate tax paid		(24,770)	-
Net cash flows from / (used in) operating activates		<u>727,163</u>	<u>(213,626)</u>
<u>Cash flows from investing activities</u>		<u>-</u>	<u>-</u>
<u>Cash flows from financing activities</u>		<u>-</u>	<u>-</u>
Net changes in cash and cash equivalents		727,163	(213,626)
Cash and bank balances at the beginning of the year		<u>23,187</u>	<u>236,813</u>
Cash and bank balances at the end of the year	8	<u>750,350</u>	<u>23,187</u>

The accompanying notes 1 to 21 form an integral part of these Consolidated Financial Statements.



CHEMHUB TRADING GROUP

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

1. Legal status and business activity

- a) These consolidated financial statements comprise of:

<i><u>Name</u></i>	<i><u>Registration / License</u></i>	<i><u>Registered Activities</u></i>
Chemhub Trading DMCC	Registration # DMCC3215 with Dubai Multi Commodities Centre, Emirate of Dubai, United Arab Emirates Trading License No. DMCC-32231 issued on 29 April 2012	Trading in basic industrial chemicals, basic nonferrous metal products and metal ores
Kiri Copper (Shanghai) Technology Co., Ltd.	Unified Social Credit Code 91310000MAK25Y443D and a Business License registered on 11 December 2025 per provisions of the Shanghai Market Supervision Administration, Peoples' Republic of China.	Information technology consulting services, wind power generation technical services, machinery and equipment sales, machinery and equipment leasing, electronic product sales, wholesale and retail of hardware products, chemical product sales, non-ferrous metal alloy sales; specialized metallurgical equipment sales, specialized electronic materials sales, trade brokerage, domestic trade agency services, import and export of goods, and technology import and export.

2. Basis of consolidation of accounts

The Consolidated Financial Statements incorporate the financial statements of the company and its subsidiaries. The overseas subsidiary is fully owned by the Group. All inter-Group transactions and balances are eliminated.

3. Basis of preparation

a) Statement of compliance

The Consolidated Financial Statements are prepared in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB) and which are effective for accounting periods beginning on or after 1 January 2025 and the applicable rules and regulations of the Dubai Multi Commodities Centre and applicable rules and governing regulations of Shanghai Market Supervision Administration, Peoples' Republic of China.

b) Basis of measurement

The Consolidated Financial Statements have been prepared on the historical cost basis, except for debt and equity financial assets that have been measured at fair values. Historical cost is generally based on the fair value of the consideration given in exchange of assets.



CHEMHUB TRADING GROUP

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

Basis of measurement (continued)

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 Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

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

c) Functional and presentation currency

The functional currency of Chemhub Trading DMCC is Arab Emirates Dirhams and Kiri Copper Shanghai Technology Co, Ltd. is Chinese Yuan. These Consolidated Financial Statements are presented in United States Dollars (US \$), which in the opinion of the management is the most appropriate presentation currency in view of the global presence of the Group.

4. Use of estimates and judgments

The preparation of the Consolidated Financial Statements to be in conformity with IFRS, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of financial assets, financial liabilities, income and expenses, disclosure of contingent liabilities and the resultant provisions and fair values. These estimates are necessarily based on assumptions about several factors, may cause the actual results to differ from reported amounts.

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

Judgments made in applying accounting policies

The material judgments applying accounting policies, that have the most significant effect on the amounts recognized in the Consolidated Financial Statements, are as follows:

Impairment



At each reporting date, management conducts an assessment of all financial assets to determine whether there are any indications that they may be impaired.

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

Impairment (continued)

In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made. In the case of loans and receivables, if an amount is deemed irrecoverable, it is written off to Statement of Consolidated Comprehensive Income or, if previously a provision was made, it is written off against the provision.

Reversals of provisions against loans and receivables are made to the extent of the related amounts being recovered.

Classification of investments in companies

Management designates at the time of acquisition of subsidiary whether these should be classified as at fair value or amortized cost. In judging whether investments in subsidiary are classified as at fair value or amortized cost, management has considered the detailed criteria for determination of such classification as set out in IFRS 9 Financial Instruments.

Classification of investment in companies as a subsidiary or an associate

The company has classified the investment in Kiri Copper Shanghai Technology Co Ltd., China, as a subsidiary, considering all relevant circumstances and as the management is of the opinion that it does hold significant influence and control over the investee company.

Revenue from contracts with customers

Timing for transfer of control of goods

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

Timing for transfer of control of services

In case of performance obligation satisfied at point in time, the control of services is transferred when the customer accepts the services.

Financing components

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



CHEMHUB TRADING GROUP

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

Key sources of estimation uncertainty and assumptions

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

Inventory provision

Management regularly undertakes a review of the Group's inventory, in order to assess the likely realization proceeds, taking in account purchase and replacement prices, age, likely obsolescence, the rate at which goods are being sold and the physical damage. Based on the assessment assumptions are made as to the level of provisioning for expected credit losses required.

Credit losses on collectibles

Management regularly undertakes a review of the amounts of loans and receivables owed to the Group either from third parties or from related parties and assess the likelihood of non-recovery. Such assessment is based upon the age of the debts, historic recovery rates and assessed creditworthiness of the debtor. Based on the assessment assumptions are made as to the level of provisioning of expected credit losses required.

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The management of the Group determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The director ensure that the appropriate valuation techniques are employed to measure fair value and these are regularly reviewed to understand the cause of fluctuations in the fair value of the assets and liabilities.

Tax provisions

The Group's current tax provision of corporate tax relates to management's assessment of the amount of tax payable on open tax positions where the liabilities remain to be agreed with local tax authority of each reporting entity. Uncertain tax items for which a provision of corporate tax is made, relate principally to the interpretation of tax legislation regarding arrangements entered into by the Group.

Due to the uncertainty associated with such tax items, there is a possibility that, on conclusion of open tax matters at a future date, the final outcome may differ significantly.

Assessments of net recoverable amounts of all financial assets other than loans and receivables are based on assumptions regarding future cash flows expected to be received from the related assets.



CHEMHUB TRADING GROUP

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

Leases

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group has assessed that the assets taken on lease do not create any right to use asset to the Group.

Significant judgment in determining the lease term of contracts with renewal options

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

Variable lease payments

Some leases contain variable payments that are linked to the usage / performance of the leased asset. Such payments are recognized in Statement of Consolidated Comprehensive Income.

5. Adoption of new and revised International Financial Reporting Standards

a) New and revised International Financial Reporting Standards

The following International Financial Reporting Standards, amendments thereto and interpretations issued by IASB that became effective for the current reporting period and which are applicable to the Group are as follows:

- IAS 21 – 'Lack of Exchangeability' to provide guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for reporting periods beginning on or after 1 January 2025.
- IFRS S1 – General requirements for disclosure of sustainability-related financial information and related amendments to the SASB standards issued to enhance their international applicability is set for annual periods beginning on or after 1 January 2025.

During the current year, the management has adopted the above standards and amendments to the extent applicable to them from the financial reporting period commencing on or after 1 January 2025.

b) International Financial Reporting Standards issued but not effective

- Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments is **optionally** set for annual periods beginning on or after 1 January 2026.
- Annual Improvements to IFRS Accounting Standards – IFRS 1, 7, 9 and 10 and IAS 7 is set for annual periods beginning on or after 1 January 2026.
- IFRS 18 – Disclosures relating to subsidiaries without public accountability is set for annual periods beginning on or after 1 January 2027.



CHEMHUB TRADING GROUP

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

International Financial Reporting Standards issued but not effective (*continued*)

- IFRS 19 Subsidiaries without Public Accountability: Disclosures relating to reduced disclosure requirements that an eligible entity is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards is set for annual periods beginning on or after 1 January 2027.

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

6. Summary of significant accounting policies

a) Investment in subsidiaries

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

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

The purchase method of accounting is used to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given up, shares issued or liabilities undertaken at the date of acquisition plus costs directly attributable to the acquisition. The excess of cost of acquisition over the fair value of the net assets of the subsidiary acquired is recorded as goodwill.

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

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

b) Investment in associates

An associate is an entity over which the company has significant influence.

Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The company's investments in its associates are accounted for using the equity method of accounting. Goodwill relating to the associates is included in the carrying amount of the investment and is not amortized or separately tested for impairment.

Where there has been a change recognized directly in the equity of an associate, the company recognizes its share of any changes and discloses this, when applicable, in the Statement of Consolidated Changes in Equity.



CHEMHUB TRADING GROUP

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

Investment in associates (continued)

Unrealized gains and losses resulting from transactions between the company and its associates are eliminated to the extent of the interest in the associate.

The share of result of associates is shown on the face of the statement of income. This is the profit or loss attributable to equity holders of the associate and therefore is profit or loss after tax and non-controlling interests in the subsidiaries of the associates.

After application of the equity method, the company determines whether it is necessary to recognize an additional impairment loss on the company's investment in its associates.

The company determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in the Statement of Consolidated Comprehensive Income.

Upon loss of significant influence over the associate, the company measures and recognizes any retained investment at its fair value. Any differences between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in the Statement of Consolidated Comprehensive Income.

c) Depreciation of fixed assets

Minor purchases of fixed assets are depreciated fully in the year of purchase.

d) Financial instruments

Initial Recognition and Measurement

The Group recognises financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are measured at fair value on initial recognition. Transaction costs that are directly attributable in relation to financial assets and financial liabilities, other than those carried at fair value through Statement of Consolidated Comprehensive Income, are added to the fair value on initial recognition.

Classification and subsequent measurement of financial assets

During the year, the Group has financial instruments in the form of investments in subsidiaries, goods in transit, inventories, trade and other receivables, advances to suppliers and others, VAT receivable, refundable deposits, cash and bank balances.

Classification and subsequent measurement of financial liabilities

Changes in fair value on liabilities are recognized in the Statement of Consolidated Comprehensive Income.



CHEMHUB TRADING GROUP

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

Derecognition of financial assets and financial liabilities

A financial asset is derecognised when the Group loses its' right to receive the fair value of the asset. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Consolidated 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.

e) Other current financial assets

Other current financial assets, being investments in subsidiary, inventories, goods in transit, trade and other receivables, advances to suppliers and others, VAT receivables, refundable deposits and cash and bank balances are stated at the value that they are due to the Group.

f) Inventory

Inventory is valued at lower of cost or net realisable value. Cost comprises of invoice value plus attributable direct expenses. Net realisable value is based on estimated selling price less further cost expected to be incurred for disposal.

g) Trade and other receivables

Trade receivables are stated at their original invoice amount less a provision for any uncollectible amount. An estimate of expected credit loss is made when any collectible, in part or full is no longer probable and is provided in the accounts. Receivables are written off as bad debts when there is no possibility of recovery.

h) Foreign currency transactions

Transactions in foreign currencies are converted into United States Dollars at the rate of exchange ruling on the date of the transaction. Assets and liabilities expressed in foreign currencies are translated into United States Dollars at the rate of exchange ruling at the reporting date. Resulting gains or losses arising from the foreign currency transactions are taken to the Statement of Consolidated Comprehensive Income.

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



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

i) Impairment of financial assets

The Group recognizes an allowance for expected credit losses (ECLs) on its financial assets. ECL are required to be measured through a loss allowance at an amount equal to:

- 12 – month ECL, which 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.
- Lifetime ECL, which represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group doesn't track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. Loss allowance is based on the Group's historical credit loss experience, adjusted for forward – looking factors specific to the debtors and the economic environment.

If a write-off is later recovered, the recovery is credited to the Statement of Consolidated Comprehensive Income.

j) Impairment of non-financial assets

Non-financial assets include tangible fixed assets.

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

Tangible assets with finite lives are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment is assessed at the level of cash generating units ('CGUs').

Impairment losses relating to continuing operations are recognised in Statement of Consolidated Comprehensive Income. An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the balance recoverable amount is estimated.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized and any subsequent adjustment to the carrying value of the asset. Such reversal is recognised in Statement of Consolidated Comprehensive Income.

k) Fair value measurement

For financial assets, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial assets has not increased significantly since initial recognition, the Group measures the loss allowance for that financial asset at an amount equal to 12 months ECL.



CHEMHUB TRADING GROUP

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

Fair value measurement (continued)

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 an evidence of a financial asset being credit-impaired at the end of the reporting period or an actual default occurring.

l) Financial liabilities

The financial liabilities comprise trade and other payables, advances from customers, VAT payable, corporate tax payable and accruals.

m) Trade and other payables

Liabilities are recognized for amounts to be paid for goods or services received, whether invoiced by the supplier or not.

n) Value Added Tax

The revenue, expenses and assets are recognized net of value-added tax (VAT). In case Input VAT paid to the supplier of asset or expense is not recoverable from Local Tax Authority of each reporting entity, it is disclosed as part of asset acquired or expense incurred.

Receivables and payables are stated inclusive of the amount of VAT receivable or payable. The net amount of VAT payable to or VAT recoverable from Local Tax Authority of each reporting entity is disclosed as other payable or other receivable under current liabilities or current assets in the Statement of Consolidated Financial Position.

o) Corporate Taxes

The taxable income of the Group that are in scope Corporate Tax purposes will be subject to corporate tax. An estimate is made for Corporate Taxes on the taxable income as of each reporting period and the corresponding provision for tax liability is disclosed as current liability of the Group.

p) Provisions

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

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

When some or all the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.



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Notes to the Consolidated Financial Statements
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q) Contingencies

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

r) Leases

The Group enters in contracts to take its business operational premises on lease. The Group takes the premises on annually renewable lease.

Such leases are classified as short term lease and are expensed on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Such leases do not create any right to use asset with a corresponding lease liability. The lease value not capitalized and corresponding liability created for unexpired portion of such lease.

The lease liability is without any finance costs.

s) Revenue recognition

The Group recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15 *Revenue from contracts with customers*:

1. Identify the contract(s) 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 every contract that must be met.
2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
3. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
5. Recognise revenue when (or as) the entity satisfies a performance obligation.

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



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Revenue recognition (continued)

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

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied. When the Group satisfies a performance obligation by delivering the promised goods or 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 recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The Group has concluded that it is acting as a principal in all of its revenue arrangements. Revenue is recognised in the income statement to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

Revenue is disclosed net of applicable VAT, rebates and discounts.

Fixed-price contracts

Revenue is recognized based on the actual service provided to the customer as a proportion of total services to be provided because the customer receives and uses the benefits simultaneously.

t) Cash and cash equivalents

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

u) Dividend

Dividend is paid out of retained profits, when declared.



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	<u>2026</u> <u>US \$</u>	<u>2025</u> <u>US \$</u>
7. Trade and other receivables		
Trade receivables	1,191,411	2,419,388
Advances to suppliers	271,022	1,143,774
Deposits	186	22
VAT receivable	61,323	60,311
	<u>1,523,942</u>	<u>3,623,495</u>
8. Cash and bank balances		
Cash on hand	2,466	2,466
Bank balances in:		
Current accounts	747,884	20,721
	<u>750,350</u>	<u>23,187</u>
9. Share capital		
200 shares of AED 1,000/- each (<i>converted @ AED 3.67 per US \$ 1</i>)	<u>54,495</u>	<u>54,495</u>
10. Taxes		
The Group is liable for standard tax rates and rules based on which taxable income of the Group will be subject to Corporate Tax at the applicable rates of each reporting entity. The corporate tax payable is subject to the assessment by the Local Tax Authority of each reporting entity.		
	<u>2026</u> <u>US \$</u>	<u>2025</u> <u>US \$</u>
11. Trade and other payables		
Trade payables	1,936,375	3,399,800
Advance from a customer	50,000	-
Accruals	19,500	13,872
	<u>2,005,875</u>	<u>3,413,672</u>
12. Revenue		
Sale of goods	7,904,384	11,583,535
Consultancy income	480,011	457,923
	<u>8,384,395</u>	<u>12,041,458</u>



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13. Cost of revenue

Represents cost of purchases and other direct expenses.

	<u>2026</u> <u>US \$</u>	<u>2025</u> <u>US \$</u>
14. Expenses		
Managerial remuneration, salaries and expenses	37,742	40,537
Management fees	240,000	240,000
Rent	4,376	4,376
Consultancy fees and sales commission	36,246	45,100
Other administrative expenses	76,350	98,119
Credit losses	-	13,572
Foreign exchange losses	159	786
Bank and related charges	<u>5,081</u>	<u>11,070</u>
	<u>399,954</u>	<u>453,560</u>

15. Related party transactions

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

The nature and amount of significant related party transactions is as under:

	<u>2026</u> <u>US \$</u> <i>Key</i>	<u>2026</u> <u>US \$</u> <i>Shareholder</i>	<u>2026</u> <u>US \$</u> <i>Total</i>	<u>2025</u> <u>US \$</u> <i>Total</i>
Purchases	-	1,644,588	1,644,588	1,815,054
Managerial remuneration and expenses	32,820	-	32,820	34,180
Management fees	-	240,000	240,000	240,000

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

	<u>2026</u> <u>US \$</u> <i>Key</i>	<u>2026</u> <u>US \$</u> <i>Shareholder</i>	<u>2026</u> <u>US \$</u> <i>Total</i>	<u>2025</u> <u>US \$</u> <i>Total</i>
Included in current assets				
Advance to suppliers	-	47,022	47,022	1,109,209



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Notes to the Consolidated Financial Statements
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16. Financial instruments

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

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

a) Credit risk

Financial assets, which potentially expose the Group to concentrations of credit risk, comprise principally of investments in subsidiaries, inventories, trade and other receivables, advances to suppliers and others, VAT receivable, refundable deposits, cash and bank balances.

Trade receivables

As at 31 March 2026, the Group's maximum and significant exposure to credit risk from trade receivables, situated outside U.A.E. amounts to US \$ 1,101,111/- from one customer (*previous year US \$ 1,660,038/- from one customer*) and advance to two supplier, situated outside U.A.E. amounts to US \$ 224,000/- (*previous year US \$ 1,109,209/-*).

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

Bank balances

The Group's bank balances in current accounts are placed with high credit quality financial institutions.

b) Market risk

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

Interest rate risk

In the absence of bank deposits or borrowings, interest rate risk is minimal.

Exchange rate risk

There are no significant exchange rate risks as substantially all financial assets and financial liabilities are denominated in US Dollars. Transactions reported of each entity are converted into United States Dollars at the average price between the functional currency and United States Dollars. Assets and Liabilities are converted from the functional currency to United States Dollars at the rates as of each reporting date.



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c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet financial obligations as they fall due. The liquidity requirements are monitored on a regular basis by the management who ensure that sufficient funds are made available to the Group to meet any future commitments.

The following are the contractual maturities of the Group's financial liabilities as of 31 March 2026.

<i>Non-derivative financial liabilities</i>	<i>Carrying Amounts US\$</i>	<i>Payable within next 12 months US\$</i>	<i>Payable after 12 months US\$</i>
Trade and other payables			
Trade payables	1,917,824	1,917,824	-
Advance from a customer	50,000	50,000	-
Accruals	31,366	31,366	-
Taxes	17,200	17,200	-

17. Financial instruments: Fair value

The fair values of the Group's financial assets, comprising of goods in transit, inventories, trade and other receivables, advances to suppliers and others, VAT receivables, cash and bank balances and financial liabilities comprising of trade and other payables, advances from customers, corporate tax payable and accruals approximate to their carrying values.

18. Purchase commitment

There was no purchase commitment as at the reporting date.

19. Contingent liability

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

20. Events since the end of the year

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

21. Comparative figures

- During the year, the subsidiary was incorporated and hence the previous year's financial statements did not include the financial statements of the subsidiary. Hence the figures are not strictly comparable.
- Previous year's figures have been regrouped / reclassified wherever necessary to conform to the presentation adopted in the current year.