

SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C

DUBAI - UNITED ARAB EMIRATES

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

AND INDEPENDENT AUDITOR'S REPORT

SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C

DUBAI - UNITED ARAB EMIRATES

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DIRECTORS' REPORT

The Director has pleasure in submitting his report together with the audited financial statements of SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C (the 'Entity') for the year ended 31 March 2026.

PRINCIPAL ACTIVITIES

The principal activities of the Entity is trading in Audio-Visual Recording Equipment & Accessories, Photographic Equipment & Accessories, Refrigerators, Washing Machines & Household Electrical Appliances, Watches & Clocks, Computer, Software and Mobile Phones.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the financial statements are given on Note # 3 to the financial statements.

FINANCIAL ANALYSIS

The table below summarizes the results of 31 March 2026 and 31 March 2025.

	31-Mar-26	31-Mar-25
	AED	AED
<u>Summarized Income Statement</u>		
Revenue	24,068,497	15,537,129
Less: Cost of revenue	(16,564,627)	(11,194,067)
Gross profit	7,503,870	4,343,062
Add: Other income	187,595	220,235
Less: General and administrative expenses	(2,592,617)	(1,912,234)
Less: Depreciation of property, plant & equipment	(253,964)	(136,156)
Less: Depreciation - Right of use of asset	(90,735)	(71,442)
Less: Finance expenses	(28,056)	(17,597)
Net profit before tax	4,726,093	2,425,868
Less: Income tax expenses	(393,830)	(184,578)
Net Income after tax	4,332,263	2,241,290
Gross profit %	31.18%	27.95%
Net profit %	18.00%	14.43%
<u>Summarized Balance Sheet</u>		
<u>Assets & Liabilities</u>		
Non current assets	1,138,750	912,333
Current assets	21,627,264	14,665,182
Non Current liabilities	(585,294)	(504,942)
Current liabilities	(7,677,056)	(3,701,172)
Equity	14,503,664	11,371,401
<u>Equity</u>		
Share capital and reserves	450,000	450,000
Retained earnings	14,053,664	10,921,401
	14,503,664	11,371,401



SCRABBLE
AUDIO VISUAL EQUIPMENT TRADING LLC



DIRECTORS' REPORT (continued)

EVENTS AFTER THE REPORTING PERIOD

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

GOING CONCERN

The financial statements have been prepared on a going concern basis which assumed that the Entity will continue to operate as a going concern for the foreseeable future. The Managing Director gives hope and expectations that the Entity has a glorious future ahead of them to continue in operational existence for the foreseeable future.

DIRECTORATE

The current Directorate of the Entity is set out below:

Mr. Pruthu Rajesh Shah

BRANCHES

There are no branches of the company, other than (if any) disclosed in note # 1 of these financial statements.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The Company Law requires the Directors to prepare the financial statements for each financial year which gives a true and fair view of the state of affairs of the Entity and of the net profit or loss for the year.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the Entity and to enable them to ensure that the financial statements comply with relevant Governing Laws.

AUDITORS

The auditors, Parker Russell Obaid Auditing (Formerly "Haris & Associates Auditing"), have expressed their willingness to continue in office.

On behalf of the Board of Directors



Mr. Pruthu Rajesh Shah

Managing Director

Dubai - United Arab Emirates



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INDEPENDENT AUDITOR'S REPORT

THE SHAREHOLDERS

SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C

DUBAI - UNITED ARAB EMIRATES

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C (the 'Entity'), which comprises the statement of financial position as at 31 March 2026 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at 31 March 2026 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Other Information

The Management and Directors are responsible for the other information. The other information comprises Directors report which we obtained prior to the date of this auditors' report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT (continued)

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and their preparation in compliance with the applicable provisions of UAE Federal Law No. (32) of 2021 and its amendments, and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Directors are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISA's, we exercise professional judgment and maintain professional scepticism throughout the audit. We also

- * Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omission, 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 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 evidenced obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosure 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 Entity to cease to continue as a going concern.
- * Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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

Report on Other Legal and Regulatory Requirements

Further, as required by the UAE Federal Law No. (32) of 2021 and its amendments, we report that:

- (i) we have obtained all the information and explanations which we considered necessary for our
- (ii) the financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (32) of 2021 and its amendments;
- (iii) the Entity has maintained proper books of account;
- (iv) the financial information included in the Directors' report is consistent with the books of account of the Entity;
- (v) the Entity has not purchased or invested in any shares during the year ended 31 March 2026;
- (vi) note 16 to the financial statements discloses material related party transactions and the terms under which they were conducted; and
- (vii) based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Entity has contravened during the financial year ended 31 March 2026 any of the applicable provisions of the UAE Federal Law No. (32) of 2021 and its amendments or of its Articles of Association which would materially affect its activities or its financial position as at 31 March 2026.

Parker Russell Obaid Auditing



Mansour Abdul Wahab

Registered Auditor No. 381

Dubai, United Arab Emirates

07 May 2026

SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C
DUBAI - UNITED ARAB EMIRATES
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

<u>ASSETS</u>	<u>Notes</u>	<u>31-Mar-26</u> AED	<u>31-Mar-25</u> AED
NON-CURRENT ASSETS			
Property, plant & equipment	5	745,825	608,746
Right of use of assets	6	392,925	303,587
Total non-current assets		1,138,750	912,333
CURRENT ASSETS			
Inventories	7	344,348	491,920
Trade and other receivables	8	16,588,937	9,246,855
Deposits with banks	9	4,000,000	4,000,000
Cash and bank balances	10	693,979	926,407
Total current assets		21,627,264	14,665,182
TOTAL ASSETS		22,766,014	15,577,515
EQUITY & LIABILITIES			
EQUITY			
Share capital	11	300,000	300,000
Statutory reserve	12	150,000	150,000
Retained earnings		14,053,664	10,921,401
Total equity		14,503,664	11,371,401
LIABILITIES			
NON-CURRENT LIABILITIES			
Provision for end of service benefits	13	250,419	136,950
Loans & borrowings - non current portion	14.1	100,436	147,769
Lease Liabilities - non current	15.1	291,097	220,223
Total non-current liabilities		641,952	504,942
CURRENT LIABILITIES			
Loans & borrowings - current portion	14.2	61,966	61,966
Lease Liabilities - current	15.2	105,600	81,600
Due to related parties	16.2.1	22,035	3,042
Trade and other payables	17	7,430,797	3,554,564
Total current liabilities		7,620,398	3,701,172
Total liabilities		8,262,350	4,206,114
TOTAL EQUITY & LIABILITIES		22,766,014	15,577,515

R. M. Shah
Mr. Pruthu Rajesh Shah
Managing Director



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

SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C

DUBAI - UNITED ARAB EMIRATES

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2026

		31-Mar-26	31-Mar-25
	Notes	AED	AED
Revenue	18	24,068,497	15,537,129
Cost of revenue	19	(16,564,627)	(11,194,067)
Gross profit		7,503,870	4,343,062
Other income	20	187,595	220,235
General, administrative & selling expenses	21	(2,592,617)	(1,912,234)
Profit/(Loss) from operating activities, before Interest, depreciation and amortization		5,098,848	2,651,063
Depreciation of property, plant & equipment	5	(253,964)	(136,156)
Depreciation - Right of use of asset	6	(90,735)	(71,442)
Finance charges	22	(28,056)	(17,597)
Net profit for the year before tax		4,726,093	2,425,868
Corporate tax expenses		(393,830)	(184,578)
Net profit for the year after tax		4,332,263	2,241,290
Other comprehensive income/(expenses)		-	-
Total comprehensive income for the year		4,332,263	2,241,290



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

SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C

DUBAI - UNITED ARAB EMIRATES

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026

	Share Capital	Statutory Reserve	Retained Earnings	Total
	AED	AED	AED	AED
Balance as at 01 April 2024	300,000	150,000	8,680,111	9,130,111
Total comprehensive income for the year	-	-	2,241,290	2,241,290
Balance as at 31 March 2025	300,000	150,000	10,921,401	11,371,401
Total comprehensive income for the year	-	-	4,332,263	4,332,263
Dividend declared and paid	-	-	(1,200,000)	(1,200,000)
Balance as at 31 March 2026	300,000	150,000	14,053,664	14,503,664



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

SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C

DUBAI - UNITED ARAB EMIRATES

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

		31-Mar-26	31-Mar-25
	Notes	AED	AED
<u>Cash flows from operating activities</u>			
Net profit for the year		4,332,263	2,241,290
<u>Adjustments for:</u>			
Depreciation of property, plant & equipment	5	253,964	136,156
Amortization of right of use of assets	6	90,735	71,442
Profit on sale of assets		(2,536)	(30,603)
Provision for end of service benefits	13	56,811	40,747
Finance costs	22	28,056	17,597
<i>Operating cash flows before working capital changes</i>		4,759,293	2,476,629
<u>Working capital changes</u>			
Inventory		147,572	628,741
Trade and other receivables		(7,342,082)	(3,269,898)
Due to related parties		18,994	(8,682)
Trade and other payables		3,932,891	(1,605,643)
<i>Cash (used in)/generated from operating activities</i>		1,516,668	(1,778,853)
Finance costs paid	22	(7,655)	(5,753)
<i>Net cash flows from operating activities</i>		1,509,013	(1,784,606)
<u>Cash flows from Investing activities</u>			
Purchase of property, plant & equipment	5	(393,926)	(392,965)
Proceeds from sale of property, plant & equipment		5,419	54,216
Lease rent paid		(105,600)	(81,600)
Loans & borrowings (net)		(47,333)	209,735
<i>Net cash flows used in investing activities</i>		(541,441)	(210,615)
<u>Cash flows from financing activities</u>			
Dividend paid		(1,200,000)	-
<i>Net cash flows from financing activities</i>		(1,200,000)	-
Net decrease in cash and cash equivalents		(232,428)	(1,995,221)
Opening cash and cash equivalents		926,407	2,921,628
Closing cash and cash equivalents	10	693,979	926,407

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

SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

1 CORPORATE INFORMATION

1.1 General

SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C (the "Entity"), is a Limited Liability Company registered with the Department of Economic Development, Government of Dubai in accordance with the UAE Federal Law No. (32) of 2021 and its amendments, under the Commercial License No. 809449 issued on June 25, 2018.

The registered office of the Entity is Warehouse # A/WH-03, Dubai Investment Park 2, Dubai, United Arab Emirates.

1.2 Principal activities

The principal activities of the Entity is trading in Audio-Visual Recording Equipment & Accessories, Photographic Equipment & Accessories, Refrigerators, Washing Machines & Household Electrical Appliances, Watches & Clocks, Computer, Software and Mobile Phones.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') and the requirements of UAE Federal Law No. (32) of 2021 and its amendments. On 20 September 2021, the UAE Federal Decree Law No. 32 of 2021 ("Companies Law") was issued and came into effect on 2 January 2022 which repealed the UAE Federal Law No. 2 of 2015. The Group has 12 months from 2 January 2022 to comply with the provisions of the UAE Federal Decree Law No 32 of 2021. The Entity is in the process of reviewing the new provisions and will apply the requirements thereof no later than one year from the date on which the amendments came into

2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention unless otherwise indicated.

2.3 Functional and presentation currency

These financial statements are presented in United Arab Emirates Dirham (AED), the Entity's functional and presentation currency and are rounded to the nearest value.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. 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 effected.

Significant areas where considerable management judgment is required are disclosed along with accounting policies.

2.5 Going concern

The financial statements are prepared on a going concern basis which assumed that the Entity will continue to operate as a going concern for the foreseeable future.

2.6 Comparative information

* The accounting policies and estimates adopted are consistent with those used in previous financial years.

* Certain comparative figures are regrouped and rearranged wherever necessary to conform to the presentation adopted in these financial statements. Such reclassification do not affect previously reported net income or shareholders' equity.



SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C

DUBAI - UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Changes in accounting policies

The accounting policies applied in the preparation of these financial statements are consistent with those applied by the Entity in its annual audited financial statements as at and for the year ended 31 March 2025, except to the extent of impact of the 'New and revised IFRSs adopted on these financial statements' from 1 April 2021, as set out in Note 4.

3.2 Foreign currencies

The financial statements are presented in United Arab Emirates Dirham (AED), which is the Entity's functional and presentation currency. Transactions in foreign currencies are recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denomination in foreign currencies are converted at the rate of exchange ruling at the date of financial position. The resultant foreign exchange gains and losses are recognized in the Income statement.

3.3 Property, plant and equipment

(a) Cost and valuation

Property, plant & equipment are stated at cost less accumulated depreciation and Impairment, if any. Cost includes expenditure that is directly attributable to the acquisition or construction. Where items of property, plant and equipment are subsequently revalued such revalued property, plant and equipment are carried at revalued amounts less any subsequent depreciation thereon and impairment.

(b) Subsequent costs

Subsequent cost 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 Entity and the cost can be reliably measured.

Cost of repairs and maintenance are charged to the statement of profit or loss during the period in which they are incurred.

(c) Depreciation

Depreciation on property, plant & equipment is provided on a straight line basis at the rates calculated to write off the cost of each asset by equal annual instalments over its expected useful life.

Management reviews the residual values and estimated useful lives at the end of each annual reporting period in accordance with IAS 16 and IAS 38. Management determined that current year expectations do not differ from previous estimates based on its review.

The rates of depreciation are based upon the following estimated useful lives: -

Furnitures & Fixtures	6 Years
Equipment	5 - 6 Years
Vehicles	3 Years

(d) Derecognition

An Item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognizing of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss in the year the asset is derecognized.



SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C

DUBAI - UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined on first in first out basis. The cost of inventory comprises the cost of purchase and other costs incurred in bringing the inventory to its present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

3.5 Impairment of non-financial assets

Assets that have an indefinite useful life are not to amortization and are tested annually for impairment. Assets that are subject to amortization 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 purposes of assessing impairment, assets are grouped at the lowest levels for which these are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

3.6 Financial Instruments

Financial assets and financial liabilities are recognized in the Entity's statement of financial position when the Entity 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 (other than financial assets and financial liabilities at fair value through profit or loss) 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 or loss are recognized immediately in profit or loss.

3.7 Financial assets

Initial measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognized immediately in profit or loss.

Subsequent classification and measurement

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

- Financial assets at amortized cost
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss



SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

• Financial assets at amortized cost

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

• Financial assets at fair value through OCI (debt instruments)

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

• Financial assets designated at fair value through OCI (equity instruments)

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

• Financial assets at fair value through profit or loss

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

Impairment of financial assets

The Entity has financial assets under "trade and other receivables" that are subject to the expected credit loss model under IFRS 9. The Entity has applied the simplified approach to measuring the expected credit losses which uses lifetime expected losses allowance for all trade receivables and financial investments, if any. To measure the expected credit losses, trade receivables have been grouped based on similar credit risk characteristics and days past due. The revised impairment methodology has not resulted in additional credit loss in trade receivables.

Derecognition of financial assets

A financial asset (or, when applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

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

When the Entity has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Entity's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Entity could be required to repay.

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SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

• ***Financial liabilities at fair value through profit or loss***

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

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

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

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

Derecognition of financial liabilities

The Entity derecognizes financial liabilities when, and only when, the Entity's obligations are discharged, cancelled or they expire. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, then the difference in the respective carrying amounts is recognized in the income statement.

3.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

3.10 Fair value of financial instruments

Management considers that the fair values of the Entity's financial assets and liabilities are not materially different from their carrying values in the date of statement of financial position.

3.11 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are stated at the amounts that they are estimated to realize net of provision for bad and doubtful receivables.



SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method less provision for impairment.

Allowance for doubtful debts

Allowance for doubtful debts is determined using a combinations of factors to ensure that the receivables are not overstated due to uncollectibility. The allowance for doubtful debts for all customers is based on a variety of factors including the overall quality and ageing of the receivables, continuing credit evaluation of the customer's financial conditions and collateral requirements from customers in certain circumstances. In addition, specific allowances for individual accounts are recorded when the Entity becomes aware of the customer's liability to meet its financial obligations.

3.12 Cash and cash equivalents

Cash and cash equivalents are defined as cash and bank balances that are readily convertible to known amounts of cash and which are subjected to an insignificant risk of changes in values.

3.13 Trade payables and accruals

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

3.14 Provisions

Provision are recognized when the business has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are not recognized for future operating losses.

3.15 Employee's end of service benefits

The Entity provides end of services benefits to its employees. The entitlement to those benefits is usually based upon the employees' length of services and the completion of a minimum services period. The expected costs of these benefits are accrued over the period of employment and in accordance with U.A.E. Labour Law.

3.16 Revenue recognition

Revenue from contracts with customers

IFRS 15 Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found across several Standards and Interpretations within IFRSs. It establishes a new five-step model that will apply to 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 customer.



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DUBAI - UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

Step 3 Determine the transaction price: Transaction price is the amount of consideration to which the Entity 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 Entity will allocate the transaction price to

Step 5 Recognize revenue as and when the Entity satisfies a performance obligation.

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

- The customer simultaneously receives and consumes the benefits provided by the Entity's performance as the Entity performs; or
- The Entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Entity's performance does not create an asset with an alternative use to the Entity 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 recognized at the point in time at which the performance obligation is satisfied.

The Entity has elected to apply the input method. The Entity considers that the use of input method, which requires revenue recognition on the basis of the Entity's efforts to the satisfaction of the performance obligation, provides the best reference to revenue actually earned. In applying the input method the Entity estimates the cost to complete the projects in order to determine the amount of revenue to be recognized. These estimates include the cost of providing infrastructure, potential claims by contractors and the cost of meeting other contractual obligations to the customers.

When the Entity 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 recognized 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 and excluding taxes and duty. The Entity assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Entity has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognized in the income statement to the extent that it is probable that the economic benefits will flow to the Entity and the revenue and costs, if applicable, can be measured reliably.

3.17 Expenditure recognition

Expenses are recognized in the statement of income on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of efficiency has been charged to the statement of income. For the purpose of presentation of the statement of income, the "function of expenses" method has been adopted, on the basis that it presents fairly the elements of the Entity's performance.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 Leases

The Entity as a lessee

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

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

i) Right-of-use assets

The Entity recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Entity by the end of the lease term or the cost of the right-of-use asset reflects that the Entity will exercise a purchase option.

The Entity has presented right-of-use assets that do not meet the definition of investment property within 'property, plant and equipment'.

ii) Lease liabilities

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

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

The Entity has presented its lease liabilities within 'loans and borrowings'.

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

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



SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C

DUBAI - UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

4 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

4.1 New and revised IFRSs adopted on these financial statements

The following new and revised International Financial Reporting Standards (IFRS), which became effective for annual periods beginning on or after 1 January 2025, have been adopted in these financial statements:

New and revised IFRSs	Effective for annual years beginning on or after
<u>Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates: Lack of</u> The amendments provide guidance on determining whether a currency is exchangeable and how to determine the exchange rate when it is not.	01-Jan-25
<u>Amendments to the SASB (Sustainability Accounting Standards Board) standards to enhance their international applicability</u>	01-Jan-25

4.2 New and revised IFRSs in issue but not yet effective

The Entity has not early adopted the following new and revised IFRSs that have been issued but are not yet effective:

<u>IFRS 9 - Financial Instruments</u> The amendments address the classification and measurement of financial instruments.	01-Jan-26
<u>IFRS 18 – Presentation and Disclosure in Financial Statements</u> IFRS 18 introduces new requirements for the presentation and disclosure of financial performance.	01-Jan-27
<u>IFRS 19 - Subsidiaries without Public Accountability: Disclosures</u> IFRS 19 permits eligible subsidiaries to apply reduced disclosure requirements.	01-Jan-27
<u>Amendments to IFRS 10 – Consolidated Financial Statements and IAS 28 –</u> The amendments address the accounting for the sale or contribution of assets between an investor and its associate or joint venture.	Effective date deferred indefinitely.

Management anticipates that these new standards, interpretations and amendments will be adopted in the financial statements as and when they become applicable. The impact of their adoption is currently being assessed; however, they are not expected to have a material impact on the financial statements of the Entity in the period of initial application, except for potential additional disclosures



SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

5 PROPERTY, PLANT & EQUIPMENT

	Furnitures & Fixtures	Equipment	Vehicle	Total
Cost	AED	AED	AED	AED
Balance as at 01 April 2025	164,420	318,282	457,242	939,944
Purchased during the year	-	383,926	10,000	393,926
Deletions/disposals	-	(2,984)	-	(2,984)
Balance as at 31 March 2026	164,420	699,224	467,242	1,330,886
Accumulated Depreciation				
Balance as at 01 April 2025	54,237	203,853	73,108	331,198
Charged for the year	32,212	73,654	148,098	253,964
Deletions/disposals	-	(101)	-	(101)
Balance as at 31 March 2026	86,449	277,406	221,206	585,061
Net Book Value				
Balance as at 31 March 2026	77,971	421,818	246,036	745,825
Balance as at 31 March 2025	110,183	114,429	384,134	608,746



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SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C

DUBAI - UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

6 RIGHT-OF-USE ASSETS

The Entity leases office and the lease term considered is for 5 years.

		<u>31-Mar-26</u>	<u>31-Mar-25</u>
	<u>NOTE</u>	<u>AED</u>	<u>AED</u>
At 1 April		303,587	267,907
Addtion during the year		180,073	107,122
Depreciation expenses	5	(90,735)	(71,442)
Balance at 31 December		<u>392,925</u>	<u>303,587</u>

7 INVENTORY

		<u>31-Mar-26</u>	<u>31-Mar-25</u>
		<u>AED</u>	<u>AED</u>
Gross inventory		361,500	503,858
Less: Allowance for obsolete inventories		(17,152)	(11,938)
Net Inventory		<u>344,348</u>	<u>491,920</u>

8 TRADE & OTHER RECEIVABLES

		<u>31-Mar-26</u>	<u>31-Mar-25</u>
	<u>NOTE</u>	<u>AED</u>	<u>AED</u>
Trade receivables	8.1	16,517,547	9,131,679
Provision for bad debts		(340,651)	(369,395)
Net trade receivables		<u>16,176,896</u>	<u>8,762,284</u>
Advance to suppliers		262,995	331,958
Prepayments		75,474	54,189
Depolsts		7,600	5,600
Staff advances & other recelvables		65,972	92,824
		<u>16,588,937</u>	<u>9,246,855</u>



SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C

DUBAI - UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

8 TRADE & OTHER RECEIVABLES

8.1 Ageing of trade receivables

	31-Mar-26	31-Mar-25
	AED	AED
0 to 90 days	14,893,531	8,672,106
91 to 180 days	370,859	90,178
181 to 240 days	902,684	-
241 to 365 days	19,645	-
Above 365 days	330,828	369,395
	16,517,547	9,131,679

Movement of provision for doubtful debts is as follows:

	31-Mar-26	31-Mar-25
	AED	AED
Balance at the beginning of the year	369,395	384,081
Provided during the year	14,527	-
Written off during the year	(43,271)	(14,686)
Balance at the end of the year	340,651	369,395

9 DEPOSITS WITH BANKS

	31-Mar-26	31-Mar-25
	AED	AED
First Abu Dhabi Bank, Dubai - Fixed deposit	4,000,000	4,000,000
	4,000,000	4,000,000

10 CASH AND BANK BALANCES

Cash and cash equivalents included in the statement of cash flows comprise the followings:

	31-Mar-26	31-Mar-25
	AED	AED
Cash balances	660	5,635
Bank balances	693,319	920,772
Cash and cash equivalents	693,979	926,407



SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C

DUBAI - UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

11 SHARE CAPITAL

The capital of the Entity is AED 300,000 (Dirhams Three Hundred Thousand only), with limited liability, divided into 300 (Three Hundred) shares, the value of each share being AED 1,000 (Dirhams One Thousand Only).

The capital of the Entity contributed by the shareholder is as follows:

Name of Shareholder	%	No. of Shares	Total Value in AED
M/s. Scrabble Entertainment DMCC, Dubai, UAE.	100%	300	300,000
TOTAL	100%	300	300,000

12 STATUTORY RESERVE

In accordance with article 103 of the UAE Federal Commercial Companies Law No. (32) of 2021, the commercial companies are required to transfer annually to a statutory reserve account an amount equal to 5% of its annual profit, until such reserve reaches 50% of the share capital of the Entity. This reserve is not available for distribution.

	<u>31-Mar-26</u>	<u>31-Mar-25</u>
	AED	AED
Balance at the beginning of the year	150,000	150,000
Balance at the end of the year	<u>150,000</u>	<u>150,000</u>

13 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

	<u>31-Mar-26</u>	<u>31-Mar-25</u>
	AED	AED
Balance at the beginning of the year	136,950	96,203
Charged during the year	56,811	40,747
	<u>193,761</u>	<u>136,950</u>
Add: transferred from other payable	56,658	-
Balance at the end of the year	<u>250,419</u>	<u>136,950</u>

14 LOANS AND BORROWINGS

14.1 Non-current

DIB - Vehicle loan

	<u>31-Mar-26</u>	<u>31-Mar-25</u>
	AED	AED
DIB - Vehicle loan	100,436	147,769
	<u>100,436</u>	<u>147,769</u>



SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C

DUBAI - UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

14 LOANS AND BORROWINGS (continued)

14.2 Current

DIB - Vehicle loan	61,966	61,966
	<u>61,966</u>	<u>61,966</u>

The motor vehicle loan is secured through the hypothecation of the financed vehicles.

15 LEASE LIABILITIES

Set out below are the carrying amounts of lease liabilities in connection with lease of office premises.

	<u>31-Mar-26</u>	<u>31-Mar-25</u>
	AED	AED
Balance at the beginning of the year	301,823	264,457
Additions during the year	180,073	107,122
Finance cost	20,401	11,844
Paid during the year	(105,600)	(81,600)
Balance at the end of the year	<u>396,697</u>	<u>301,823</u>
15.1) Non - current	291,097	220,223
15.2) Current	105,600	81,600
	<u>396,697</u>	<u>301,823</u>

16 RELATED PARTIES

16.1 Identity of related parties

Related parties comprise the shareholders of the Entity, key management personnel and such other entities over which the Entity, its shareholders or the key management personnel can exercise control or significant influence or can be controlled or significantly influenced by those Entities. The terms of these transactions are approved by the Entity's management.

16.2 Balances

Balances with related parties at the reporting date are as shown below:

	<u>31-Mar-26</u>	<u>31-Mar-25</u>
	AED	AED
16.2.1 Due to related parties		
M/s. UFO Moviez Ltd., India	22,035	-
M/s. Scrabble Entertainment DMCC - Dubai, UAE	-	3,042
	<u>22,035</u>	<u>3,042</u>



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

16 RELATED PARTIES (continued)

16.3 Transactions with related parties

Significant transactions with related parties during the period included:

	<u>31-Mar-26</u>	<u>31-Mar-25</u>
	AED	AED
Funds received from /expenses paid by related parties	1,972,557	763,355
Fund transfers to / expenses paid for related parties	1,907,727	816,135
Sales made to related parties	45,838	227,681

17 TRADE & OTHER PAYABLES

	<u>31-Mar-26</u>	<u>31-Mar-25</u>
	AED	AED
Trade payables	4,437,040	2,555,031
Accrued expenses and other payables	1,080,493	543,603
Advance from customers	1,399,061	101,584
Deferred income	16,375	27,601
VAT payable	105,318	142,167
Provision for Income Tax	392,510	184,578
	<u>7,430,797</u>	<u>3,554,564</u>

18 REVENUE

	<u>31-Mar-26</u>	<u>31-Mar-25</u>
	AED	AED
Sales, services & Installation income	23,479,052	14,851,558
AMC, part warranty & other income	589,445	685,571
	<u>24,068,497</u>	<u>15,537,129</u>

Revenue includes sales made to related parties were amounting to AED 45,838 (2025 : AED 227,681).

19 COST OF REVENUE

	<u>31-Mar-26</u>	<u>31-Mar-25</u>
	AED	AED
Cost of materials & services	16,555,627	10,973,297
Other direct expenses	9,000	220,770
	<u>16,564,627</u>	<u>11,194,067</u>



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

20 OTHER INCOME

	31-Mar-26	31-Mar-25
	AED	AED
Interest income	131,701	159,673
Reversal overprovision of doubtful debts	43,271	14,686
Exchange gain/(loss)	(5,198)	15,273
Payable written back	15,285	-
Profit on sale of assets	2,536	30,603
	187,595	220,235

21 GENERAL, ADMINISTRATIVE & SELLING EXPENSES

	<u>NOTE</u>	31-Mar-26	31-Mar-25
		AED	AED
Staff cost	21.1	1,453,011	1,414,721
Short term lease expenses		63,520	15,867
Bad/doubtful debts		14,526	-
Other expenses		1,061,560	481,646
		2,592,617	1,912,234

21.1 STAFF COST

		31-Mar-26	31-Mar-25
		AED	AED
Staff salaries & allowances		1,396,200	1,373,974
End of service benefits	13	56,811	40,747
		1,453,011	1,414,721

22 FINANCE CHARGES

	31-Mar-26	31-Mar-25
	AED	AED
Bank charges	7,655	5,753
Finance cost lease liability	20,401	11,844
	28,056	17,597



SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C

DUBAI - UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

23 CORPORATE TAX EXPENSE

Effective 1 January 2024, the Entity's operations in the UAE are subject to income tax. Tax computation for the year 2024 is as follows:

	<u>31-Mar-25</u>	<u>31-Mar-25</u>
	AED	AED
Profit Before Tax	4,726,093	2,425,868
Add: Inadmissible expenses	10,125	-
Less: exempted Profit	(375,000)	(375,000)
Profit subject to Tax	4,361,218	2,050,868
Tax at 9% of above	392,510	184,578
Add: Tax on previous year's inadmissible expenses	1,320	-
Total tax expenses as per P&L	393,830	184,578

On 9 December 2022, the UAE Ministry of Finance released Federal Decree - Law No 47 of 2022 on the Taxation of Corporations and Businesses (UAE CT Law or the Law) to enact Federal Corporate Tax (CT) regime in the UAE. The Corporate Tax Law is applicable to the Tax Periods commencing on or after 1 June 2023 (where the Tax Period is generally aligned with the financial accounting period).

The UAE CT Law applicable to the Entity with effect from 1 April 2024. The UAE CT Law is subject to further clarification by supplemental Decisions of the Cabinet Ministers of the UAE (Decisions). Such Decisions, and other interpretive guidance of the UAE Federal Tax Authority, are required to fully evaluate the impact of the UAE CT Law on the Entity.

Decision No 116 of 2022 (published in December 2022 and considered to be effective from 16 January 2023) specifies that taxable income not exceeding AED 375,000 would be subject to the 0% UAE CT rate, and taxable income exceeding AED 375,000 would be subject to the 9% UAE CT rate.

24 COMMITMENTS AND CONTINGENCIES

Except ongoing business obligations which are under normal course of business against which no loss is expected, there has been no known contingent liability or capital commitment of Entity's account as of reporting date.

25 FINANCIAL INSTRUMENTS

25.1 CAPITAL RISK MANAGEMENT

The Entity manages its capital on a basis that it will be able to continue as a going concern while maximizing the return to the shareholders through the optimization of the equity balance.



SCRABBLE AUDIO VISUAL EQUIPMENT TRADING L.L.C

DUBAI - UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

25 FINANCIAL INSTRUMENTS (continued)

25.2 CATEGORIES OF FINANCIAL INSTRUMENTS

	31-Mar-26	31-Mar-25
Financial assets	AED	AED
Trade and other receivables	16,184,496	8,767,884
Cash and bank balances	693,979	926,407
Total	16,878,475	9,694,291
Financial liabilities		
Trade and other payables	6,228,611	2,841,193
Total	6,228,611	2,841,193

25.3 FINANCIAL RISK MANAGEMENT

The Entity is exposed to the following risks related to financial instruments. The Entity has not framed formal risk management policies, however, the risks are monitored by management on a continuous basis.

a) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Entity, and arises principally from the Entity's trade and other receivables and bank balances.

The Entity has adopted a policy of only dealing with creditworthy counterparties, for whom the credit risk is assessed to be low. The Entity attempts to control credit risk by monitoring credit exposures, setting credit limits for non-related counterparties and monitoring outstanding receivables.

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.

b) Liquidity risk

Liquidity risk is the risk that the Entity will be unable to meet its funding requirements. The Entity limits its liquidity risk by ensuring adequate cash from operations.

The table below summarises the maturities of the Entity's undiscounted financial liabilities as at 31 March 2026 and 31 March 2025 based on the contractual payment dates.

	Carrying value	Less than 1 year	More than 1 year
31-Mar-26	AED	AED	AED
Non-derivative financial liabilities			
Trade and other payables	6,228,611	6,228,611	-
	6,228,611	6,228,611	-
31-Mar-25			
Non-derivative financial liabilities			
Trade and other payables	2,841,193	2,841,193	-
	2,841,193	2,841,193	-



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

25 FINANCIAL INSTRUMENTS (continued)

c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Entity is not exposed to Interest rate risk as there are no any Interest bearing financial instruments at the reporting date.

d) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Entity is not exposed to currency risk as all the assets and liabilities are denominated in the reporting currency AED.

26 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by management and authorized for issue on
7 May 2026

