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SCRABBLE ENTERTAINMENT DMCC
(THE COMPANY ONLY)
DUBAI - UNITED ARAB EMIRATES

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025
AND INDEPENDENT AUDITOR'S REPORT

SCRABBLE ENTERTAINMENT DMCC (THE COMPANY ONLY)

DUBAI - UNITED ARAB EMIRATES

CONTENTS

DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of SCRABBLE ENTERTAINMENT DMCC (Company Only) (the 'Entity') for the year ended 31 March 2025.

PRINCIPAL ACTIVITIES

The principal activities of the Entity is trading in Audio-Visual, Recording equipments and accessories.

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 2025 and 31 March 2024 .

	31-Mar-25	31-Mar-24
Summarized Income Statement	AED	AED
Revenue	21,134,030	20,819,755
Less: Cost of revenue	(16,461,120)	(16,457,376)
Gross profit	4,672,910	4,362,379
Add: Other income	2,804,761	2,095,333
Less: General and administrative expenses	(3,974,160)	(3,828,933)
Less: Director's remuneration	(43,138)	(44,444)
Less: Finance expenses	(44,294)	(27,658)
Less: Depreciation	(218,343)	(110,546)
Less : Depreciation - Right of use of asset	(69,656)	(66,084)
Net profit before tax	3,128,080	2,380,047
Less : Income tax expenses	(164,428)	-
Net profit after tax	**2,963,652**	**2,380,047**
Gross profit %	**22.11%**	**20.95%**
Net profit %	**14.02%**	**11.43%**
Summarized Balance Sheet		
Assets & Liabilities		
Non current assets	1,364,821	1,445,697
Current assets	12,417,194	19,094,363
Non current liabilities	(1,281,129)	(1,218,865)
Current liabilities	(6,166,629)	(7,949,589)
	6,334,257	**11,371,606**
Equity		
Share capital, contributions and reserves	4,500,000	4,500,000
Retained earnings	1,834,257	6,871,605
	6,334,257	**11,371,605**

DIRECTORS' REPORT (continued)

SCRABBLE
ENTERTAINMENT DMCC

DIRECTORATE

The current Directorate of the Entity is set out below:

Mr. Sunil Patil

Mr. Ashish Sadanand Malushte

Mr. Rajesh Bhawati Mishra

Mrs. Swati Mohan

Mr. Rajiv Batra

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 Governing 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 financial statements have been audited by M/s. Parker Russell Obaid Auditing (Formerly "Haris & Associates Auditing"), who retire, and being eligible, offer themselves for reappointment.

On behalf of the Board of Directors

SCRABBLE ENTERTAINMENT DMCC * DUBAI - U.A.E. * سكرابل إنترتاينمنت م.د.م.س

Mr. Pruthu Rajesh Shah

Manager

Dubai - United Arab Emirates.

SCRABBLE ENTERTAINMENT DMCC

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INDEPENDENT AUDITOR'S REPORT

THE SHAREHOLDERS
SCRABBLE ENTERTAINMENT DMCC (THE COMPANY ONLY)
DUBAI - UNITED ARAB EMIRATES

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of SCRABBLE ENTERTAINMENT DMCC (Company Only) (the 'Entity'), which comprises the statement of financial position as at 31 March 2025 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 2025 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.

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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 the requirements of DMCCA Company Regulations 2020 and the requirements of UAE Federal Decree 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 the requirements of DMCCA Company Regulations 2020 and the requirements of UAE Federal Decree 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 audit;

ii) the financial statements have been prepared and comply, in all material respects, with the applicable provisions of the the requirements of DMCCA Company Regulations 2020 and the requirements of UAE Federal Decree 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) note # 10 to the financial statements discloses material related party transactions and the terms under which they were conducted;

vi) 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 2025 any of the applicable provisions of the the requirements of DMCCA Company Regulations 2020 and the requirements of UAE Federal Decree 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 2025.

Parker Russell Obaid Auditing

(Formerly "Haris & Associates Auditing")

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PARKER RUSSELL OBAID AUDITING

Mansour Abdul Wahab

Registered Auditor No. 381

Dubai, United Arab Emirates

07 May 2025

SCRABBLE ENTERTAINMENT DMCC (THE COMPANY ONLY)

DUBAI - UNITED ARAB EMIRATES

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Notes	31-Mar-25 AED	31-Mar-24 AED
ASSETS			
NON-CURRENT ASSETS			
Property, plant & equipment	5	750,319	761,539
Right of use of assets	6	243,794	313,450
Investments	7	370,708	370,708
Total non-current assets		**1,364,821**	**1,445,697**
CURRENT ASSETS			
Inventories	8	871,447	769,851
Trade and other receivables	9	7,951,437	8,154,732
Due from related parties	10.2.1	15,251	11,725
Deposits with banks	11	2,252,400	6,252,400
Cash and bank balances	12	1,326,659	3,905,655
Total current assets		**12,417,194**	**19,094,363**
TOTAL ASSETS		**13,782,015**	**20,540,060**
EQUITY & LIABILITIES			
EQUITY			
Share capital	13	3,000,000	3,000,000
General reserve	14	1,500,000	1,500,000
Retained earnings		1,834,257	6,871,605
Total equity		**6,334,257**	**11,371,605**
LIABILITIES			
NON-CURRENT LIABILITIES			
Provision for end of service benefits	15	1,135,447	1,009,546
Lease Liabilities - non current	16.1	145,682	209,319
Total non-current liabilities		**1,281,129**	**1,218,865**
CURRENT LIABILITIES			
Lease Liabilities - current	16.2	78,000	78,000
Trade and other payables	17	6,088,629	7,871,589
Total current liabilities		**6,166,629**	**7,949,589**
Total liabilities		**7,447,758**	**9,168,454**
TOTAL EQUITY & LIABILITIES		**13,782,015**	**20,540,060**

SCRABBLE ENTERTAINMENT DMCC DUBAI U.A.E.

Mr. Pruthu Rajesh Shah
Manager

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

SCRABBLE ENTERTAINMENT DMCC (THE COMPANY ONLY)

DUBAI - UNITED ARAB EMIRATES

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	31-Mar-25 AED	31-Mar-24 AED
Revenue	18	21,134,030	20,819,755
Cost of revenue	19	(16,461,120)	(16,457,376)
Gross profit		**4,672,910**	**4,362,379**
Other income	20	2,804,761	2,095,333
		7,477,671	**6,457,712**
Less:			
General & administrative expenses	21	3,974,160	3,828,933
Director's remuneration	22	43,138	44,444
Finance charges	23	44,294	27,658
Depreciation of property, plant & equipment	5	218,343	110,546
Depreciation - Right of use of asset	6	69,656	66,084
Total expenses		**4,349,591**	**4,077,665**
Net profit for the year before tax		**3,128,080**	**2,380,047**
Income tax expenses	24	164,428	-
Net profit after tax		**2,963,652**	**2,380,047**
Other comprehensive income/(expenses)		-	-
Total comprehensive income for the year		**2,963,652**	**2,380,047**

SCRABBLE ENTERTAINMENT DMCC DUBAI - U.A.E.

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

SCRABBLE ENTERTAINMENT DMCC (THE COMPANY ONLY)

DUBAI - UNITED ARAB EMIRATES

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	Share Capital	General Reserve	Retained Earnings	Total
	AED	AED	AED	AED
Balance as at 01 April 2023	3,000,000	1,500,000	4,491,558	8,991,558
Total comprehensive income for the year	-	-	2,380,047	2,380,047
Balance as at 31 March 2024	3,000,000	1,500,000	6,871,605	11,371,605
Total comprehensive income for the year	-	-	2,963,652	2,963,652
Interim dividend declared and paid	-	-	(8,001,000)	(8,001,000)
Balance as at 31 March 2025	3,000,000	1,500,000	1,834,257	6,334,257

SCRABBLE ENTERTAINMENT DMCC * DUBAI U.A.E.

SCRABBLE ENTERTAINMENT DMCC (THE COMPANY ONLY)

DUBAI - UNITED ARAB EMIRATES

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Notes	31-Mar-25 AED	31-Mar-24 AED
Cash flows from operating activities			
Net profit for the year		2,963,652	2,380,047
Adjustments for:			
Depreciation of property, plant & equipment	5	218,343	110,546
Amortisation of Right of Use	6	69,656	66,084
Profit on sale/transfer of property, plant & equipment	20	-	(24,037)
Finance costs	23	44,294	27,658
Provision for end of service benefits	15	125,901	116,658
Operating cash flows before working capital changes		**3,421,846**	**2,676,956**
Working capital changes			
Inventory		(101,596)	1,033,079
Trade and other receivables		203,295	(2,249,850)
Due from related parties		(3,526)	253,501
Due to related parties		-	(5,959)
Trade and other payables		(1,782,960)	(157,169)
Cash generated from operating activities		**1,737,059**	**1,550,558**
Interest paid	23	(29,931)	(13,937)
End of service benefits paid	15	-	(33,284)
Net cash flows from operating activities		**1,707,128**	**1,503,337**
Cash flows from investing activities			
Purchase of property, plant & equipment	5	(207,123)	(643,656)
Lease rent paid		(78,000)	(78,000)
Proceeds from sale of property, plant & equipment		-	24,037
Fixed / margin deposits with banks		4,000,000	(252,400)
Investments		-	(153,000)
Net cash flows from/(used in) investing activities		**3,714,877**	**(1,103,019)**
Cash flows from financing activities			
Interim dividend paid		(8,001,000)	-
Net cash flows used in financing activities		**(8,001,000)**	-
Net (decrease) / increase in cash and cash equivalents		**(2,578,996)**	**400,318**
Opening cash and cash equivalents		3,905,655	**3,505,337**
Closing cash and cash equivalents	12	**1,326,659**	**3,905,655**

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

SCRABBLE ENTERTAINMENT DMCC (THE COMPANY ONLY)

DUBAI - UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1 CORPORATE INFORMATION

1.1 General

SCRABBLE ENTERTAINMENT DMCC ("the Entity") is registered as a Company with Limited Liability in Dubai Multi Commodities Centre, Dubai, United Arab Emirates, incorporated under the provisions of the DMCCA Company Regulations 2020 by the Dubai Multi Commodities Centre Authority. The Entity operates under Trade license No. JLT-66360 issued on 27 September 2011.

The registered office of the Entity is Unit No. 2405, 1-Lake Plaza, Plot No. JLT-PH2-T2A, Jumeirah Lake Towers, Dubai, United Arab Emirates.

1.2 Principal activities

The principal activities of the Entity is trading in Audio-Visual, Recording equipments and accessories.

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 DMCCA Company Regulations 2020 and the requirements of UAE Federal Decree Law No. (32) of 2021 and its amendments.

The Federal Decree-Law No. 32 of 2021, which repeals and replaces Federal Law No. 2 of 2015 (as amended) on Commercial Companies was issued on 20 September 2021, and shall take effect starting from 02 January 2022. The Entity shall apply and adjust their status in accordance with the provisions thereof by no later than one year from the date on which this Decree-Law takes effect.

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 effect 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 recognised 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 ENTERTAINMENT DMCC U.A.E.

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 2024 , 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 recognised 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: -

Furniture & Fittings	6 Years
Equipment	3 to 6 Years
Building renovations	3 Years
Vehicles	3 Years

SCRABBLE ENTERTAINMENT DMCC DUBAI - U.A.E.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognising 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 derecognised.

3.4 Investment in subsidiaries

Investment in subsidiaries is measured at acquisition cost less impairment losses, if any.

3.5 Investment in associates

Associates are those entities in which the Entity has significant influence, but not control or joint control, over the financial and operating policies.

Investment in associates are accounted for using the cost method.

3.6 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined on the 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.

3.7 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.

3.8 Financial instruments

Financial assets and financial liabilities are recognised in the Entity's statement of financial position when the Entity becomes a party to the contractual provisions of the instrument.

3.9 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 recognised immediately in profit or loss.

Subsequent classification and measurement

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

SCRABBLE ENTERTAINMENT DMCC DUBAI U.A.E.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

- Financial assets at amortised 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

• Financial assets at amortised cost

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

• 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 recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

• 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 recognised 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 derecognised when:

- The rights to receive cash flows from the asset have expired;

SCRABBLE ENTERTAINMENT DMCC DUBAI U.A.E.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

• 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 recognised 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.

3.10 Financial liabilities

Initial measurement

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

Subsequent classification and measurement

For the purposes of subsequent measurement, financial liabilities are classified in two categories at the time of initial recognition:

• Financial liabilities at amortised cost
• Financial liabilities at fair value through profit or loss

• Financial liabilities at amortised cost

Financial liabilities at amortised cost are subsequently measured using the effective interest (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

• Financial liabilities at fair value through profit or loss

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

Financial liabilities fair value through profit or loss are subsequently measured at fair value. Gains and losses are recognised in profit or loss when the liabilities are derecognised.

SCRABBLE ENTERTAINMENT DMCC DUBAI U.A.E.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial liabilities

The Entity derecognises 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 recognised in the profit or loss.

3.11 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 recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3.12 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.

3.13 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.

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.

3.14 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.

3.15 Trade payables

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.

SCRABBLE ENTERTAINMENT DMCC DUBAI - U.A.E.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 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.

3.17 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.

3.18 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.

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 Recognise revenue as and when the Entity satisfies a performance obligation.

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

• The customer simultaneously receives and consumes the benefits provided by the 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 recognised at the point in time at which the performance obligation is satisfied.

SCRABBLE ENTERTAINMENT DMCC
DUBAI - U.A.E.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

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 recognised. 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 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 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 recognised 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.

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 IFRSs, which became effective for annual periods beginning on or after 1 January 2024, have been adopted in these financial statements.

New and revised IFRSs	Effective for annual periods beginning on or after
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity.	01-Jan-24
IFRS S2 Climate-related Disclosures IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity.	01-Jan-24
Amendments to IAS 1 Presentation of Financial Statements relating to Classification of Liabilities as Current or Non-Current The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.	01-Jan-24

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

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IFRS 16 Leases relating to Lease Liability in a Sale and Leaseback The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.	01-Jan-24
Amendments to IAS 1 Presentation of Financial Statements relating to Non-current Liabilities with Covenants The amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.	01-Jan-24
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures relating to Supplier Finance Arrangements The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.	01-Jan-24

The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

4.2 New and revised IFRSs not adopted on these financial statements

The Entity has not applied the following new and revised IFRSs that have been issued but are not yet effective.

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates relating to Lack of Exchangeability The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.	01-Jan-25
Amendments to the SASB (Sustainability Accounting Standards Board) standards to enhance their international applicability The amendments remove and replace jurisdiction-specific references and definitions in the SASB standards, without substantially altering industries, topics or metrics.	01-Jan-25
Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) The amendments relate to the treatment of the sale or contribution of assets from an investor to its associate or joint venture	Effective date deferred indefinitely.

Management anticipates that these new standards, interpretations and amendments will be adopted in the Entity's financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the financial statements of the Entity in the period of initial application.

5 PROPERTY, PLANT & EQUIPMENT

	Equipment	Building Renovations	Vehicles	Furniture & Fixtures	Total
Cost	AED	AED	AED	AED	**AED**
Balance as at 01 April 2024	3,978,975	124,750	295,696	87,184	**4,486,605**
Purchased during the year	114,443		80,500	12,180	**207,123**
Balance as at 31 March 2025	**4,093,418**	**124,750**	**376,196**	**99,364**	**4,693,728**
Accumulated Depreciation					
Balance as at 01 April 2024	3,338,544	51,838	295,696	38,988	**3,725,066**
Charged for the year	169,451	14,950	17,716	16,226	**218,343**
Balance as at 31 March 2025	**3,507,995**	**66,788**	**313,412**	**55,214**	**3,943,409**
Net Book Value					
Balance as at 31 March 2025	**585,423**	**57,962**	**62,784**	**44,150**	**750,319**
Balance as at 31 March 2024	**640,431**	**72,912**	-	**48,196**	**761,539**

SCRABBLE ENTERTAINMENT DMCC DUBAI U.A.E.

10 RELATED PARTIES

10.1 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.

10.2 Balances

10.2.1 Due from related parties	31-Mar-25	31-Mar-24
	AED	AED
M/s. Scrabble Digital Services DMCC, Dubai, U.A.E.	12,209	-
M/s. Scrabble Audio Visual Equipment Trading LLC - Dubai, U.A.E.	3,042	11,725
	15,251	**11,725**

10.3 Transactions with related parties

Significant transactions with related parties during the period included:

		31-Mar-25	31-Mar-24
	NOTE	AED	AED
Funds received from /expenses paid by related parties		1,830,116	2,463,072
Fund transfers to / expense paid for related parties		1,524,832	1,121,469
Sales made to related parties	18	313,029	1,094,061
Consultancy income	20	228,000	114,000

11 DEPOSITS WITH BANKS

	31-Mar-25	31-Mar-24
	AED	AED
Fixed deposit	2,252,400	6,252,400
	2,252,400	**6,252,400**

SCRABBLE ENTERTAINMENT DMCC
DUBAI U.A.E.

12 CASH AND BANK BALANCES

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

	31-Mar-25	31-Mar-24
	AED	AED
Cash balances	404	40
Bank balances	1,326,255	3,905,615
Cash and bank balances	**1,326,659**	**3,905,655**

13 SHARE CAPITAL

The capital of the Entity is AED 3,000,000 (Dirhams Three Million only), with limited liability, divided into 3,000 (Three Thousand) shares, the value of each share being AED 1,000 (Dirhams One Thousand Only).

The capital of the Entity as per the Memorandum of Association was as follows:

Name of Shareholders	%	No. of Shares	Total Value in AED
M/s. Scrabble Entertainment (Mauritius) Ltd., Mauritius	90%	2,700	2,700,000
M/s. Scrabble Entertainment Ltd., India	10%	300	300,000
TOTAL	**10%**	**3,000**	**3,000,000**

On 15 October 2024, followed by share sale agreement and amendment to memorandum and articles of association approved by DMCC Authority, the present shareholders, M/s. Scrabble Entertainment (Mauritius) Ltd., Mauritius holding 90% shares of the Entity and M/s. Scrabble Entertainment Ltd., India holding 10% shares of the Entity sold their entire shares to M/s. UFO Moviez India Ltd., India and UFO Moviez India Ltd., India became 100% shareholder of the Entity.

The present shareholder of the Entity is as follows:

Name of shareholder	%	No. of Shares	Total Value in AED
M/s. UFO Moviez India Ltd., India	100%	3,000	3,000,000

14 GENERAL RESERVE

	31-Mar-25	31-Mar-24
	AED	AED
Balance at the beginning of the year	1,500,000	1,500,000
Balance at the end of the year	**1,500,000**	**1,500,000**

15 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

	31-Mar-25	31-Mar-24
	AED	AED
Balance at the beginning of the year	1,009,546	926,172
Charged during the year	125,901	116,658
Paid during the year	-	(33,284)
Balance at the end of the year	**1,135,447**	**1,009,546**

16 LEASE LIABILITIES

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

	31-Mar-25	31-Mar-24
	AED	AED
Balance at the beginning of the year	287,319	222,110
Additions during the year	-	129,488
Finance cost	14,363	13,721
Paid during the year	(78,000)	(78,000)
Balance at the end of the year	**223,682**	**287,319**
16.1) Non - current	145,682	209,319
16.2) Current	78,000	78,000
	223,682	287,319

17 TRADE & OTHER PAYABLES

	31-Mar-25	31-Mar-24
	AED	AED
Trade payables	2,863,236	4,549,100
Accrued expenses and other payables	1,802,438	2,325,673
Advance from customers	1,214,235	917,892
Deferred AMC & part warranty	24,560	56,987
VAT payable	19,732	21,937
Provision for Income Tax	164,428	-
	6,088,629	**7,871,589**

18 REVENUE

	31-Mar-25	31-Mar-24
	AED	AED
Equipment & spares	20,767,112	20,383,956
AMC & part warranty income	366,918	435,799
	21,134,030	**20,819,755**

Revenue includes sales made to related parties amounting to AED 313,029 (2024: AED 1,094,061).

19 COST OF REVENUE

	31-Mar-25	31-Mar-24
	AED	AED
Materials consumed	14,474,662	14,872,863
Other direct expenses	1,986,458	1,584,513
	16,461,120	**16,457,376**

20 OTHER INCOME

	31-Mar-25	31-Mar-24
	AED	AED
Interest income	143,565	224,647
Consultancy, freight & miscellaneous income	1,340,095	1,337,231
Profit on sale/transfer of assets	-	24,037
Dividend income	926,100	-
Payable written back	395,001	509,418
	2,804,761	**2,095,333**

Consultancy income of AED 228,000 (2024 : AED 114,000) represents consultancy income received from an associate entity, M/s. Scrabble Digital Services DMCC, Dubai, United Arab Emirates.

21 GENERAL & ADMINISTRATIVE EXPENSES

	NOTE	31-Mar-25	31-Mar-24
		AED	AED
Staff cost	21.1	3,239,507	3,088,449
Rent expenses		51,574	41,391
Bad and doubtful debts		86,773	63,775
Other expenses		596,306	635,318
		3,974,160	**3,828,933**

SCRABBLE ENTERTAINMENT DMCC DUBAI U.A.E.

21.1 STAFF COST

	NOTE	31-Mar-25 AED	31-Mar-24 AED
Staff salaries & allowances		3,113,606	2,971,791
End of service benefits	15	125,901	116,658
		3,239,507	**3,088,449**

22 DIRECTOR'S REMUNERATION

	31-Mar-25 AED	31-Mar-24 AED
Mr. Rajiv Batra	21,569	22,222
Mrs. Swati Mohan	21,569	22,222
	43,138	**44,444**

This amount consists of remuneration payable to the above Directors based up on Board Resolutions passed on 2nd November 2023 and 7th December 2023.

23 FINANCE CHARGES

	31-Mar-25 AED	31-Mar-24 AED
Bank charges	29,931	13,937
Finance cost lease liability	14,363	13,721
	44,294	**27,658**

24 CORPORATE TAX EXPENSES

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:

	31-Mar-25 AED
Profit Before Tax	3,128,080
Less: Dividend income	(926,100)
Less: exempted Profit	(375,000)
Profit subject to Tax	1,826,980
Tax at 9% of above	**164,428**

SCRABBLE ENTERTAINMENT DMCC U.A.E.

SCRABBLE ENTERTAINMENT DMCC (THE COMPANY ONLY)

DUBAI - UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

24 CORPORATE TAX EXPENSES (continued)

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.

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.

25.2 CATEGORIES OF FINANCIAL INSTRUMENTS

	31-Mar-25	31-Mar-24
Financial assets	AED	AED
Trade and other receivables	271,910	7,466,896
Due from related parties	15,251	-
Deposits with banks	2,252,400	6,252,400
Cash and bank balances	1,326,659	3,905,655
Total	**3,866,220**	**17,624,951**
Financial liabilities		
Trade and other payables	4,830,102	6,874,773
Total	**4,830,102**	**6,874,773**

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

25 FINANCIAL INSTRUMENTS (continued)

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

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 2025 and 31 March 2024 based on the contractual payment dates.

	Carrying value	Less than 1 year	More than 1 year
	AED	AED	AED
31-Mar-25			
Non-derivative financial liabilities			
Trade and other payables	4,830,102	4,830,102	-
	4,830,102	**4,830,102**	-
31-Mar-24			
Non-derivative financial liabilities			
Trade and other payables	6,874,773	6,874,773	-
	6,874,773	**6,874,773**	-

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 exposed to interest rate risk on it's interest bearing fixed deposits with bank.

The Entity's exposure to interest bearing fixed deposits with bank is not significant as this instrument has fixed interest rates and maturities.

d) Currency risk

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

25 FINANCIAL INSTRUMENTS (continued)

The Entity does not have significant exposure to currency risk as most of its assets are denominated in UAE Dirhams or in US Dollars, the latter being pegged to the UAE Dirham.

26 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by management and authorized for issue on 7 May 2025.