

AMINES AND PLASTICIZERS FZ LLC
RAK ECONOMIC ZONE
RAS AL KHAIMAH - U.A.E

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED MARCH 31, 2024



AMINES AND PLASTICIZERS FZ LLC
RAK ECONOMIC ZONE
RAS AL KHAIMAH - U.A.E

FINANCIAL STATEMENTS AND
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FOR THE YEAR ENDED MARCH 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To
The Shareholder
AMINES AND PLASTICIZERS FZ LLC
Rak Economic Zone
Ras Al Khaimah - U.A.E

Report on the Audit of the Financial Statement

Opinion

We have audited the financial statements of AMINES AND PLASTICIZERS FZ LLC ("Free Zone limited liability Company"), which comprise the statement of financial position as at 31 March 2024 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of AMINES AND PLASTICIZERS FZ LLC as at 31 March 2024 and of 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 Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA) Code and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Management and the Board of Directors for the financial statements

The Management and the Board of Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards issued by the IASB, and for such internal control as the Board of Directors determines is 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, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Management and the Board of Directors are responsible for overseeing the Company'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.

Report on the Audit of the Financial Statements (continued)

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

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

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

Report on Other Legal and Regulatory Requirements

We also confirm that, in our opinion, the financial statements include in all material respects, the applicable requirements of the Ras Al Khaimah Economic Zone (RAKEZ), under decree (2) of 2017 and the articles of association of the Company; proper books of account have been kept by the Company and the contents of the report of the Board of Directors relating to these financial statement are consistent with the books of account. We have obtained all the information and explanations which we required for the purpose of our audit and, to the best of our knowledge and belief, no violation of the Ras Al Khaimah Economic Zone (RAKEZ), under decree (2) of 2017 or of the article of association of the Company have occurred during the year which would have a material effect on the business of the Company or on its financial position

Notes 1 to 12 to the financial statements form an integral part of our report.

For Al Basha Auditing and Accounting
Chartered Accountants

Dr. Mohammad Houssein Al Jeroudy
Managing Director
Reg. No. 216
Sharjah, 22nd May, 2024



AMINES AND PLASTICIZERS FZ LLC
RAK ECONOMIC ZONE
RAS AL KHAIMAH - UAE

STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024
(In Arab Emirates Dirham)

	Note	2024	2023
ASSETS			
Current Assets			
Cash and Bank Balances	5	1,123,672	1,427,799
Deposits, Advances & Prepayments	6	1,457,436	985,948
Accounts Receivable	7	344,368	17,457,593
Due from Related Party	8	1,521,658	633,897
Total Current Assets		4,447,134	20,505,237
TOTAL ASSETS		4,447,134	20,505,237
LIABILITIES AND SHAREHOLDER'S EQUITY			
Current Liabilities			
Due to Related Party	8	1,090,046	17,723,205
Provisions & Accruals	9	2,071,819	1,729,844
Total Current Liabilities		3,161,865	19,453,049
Non-Current Liabilities			
Long Term Loan	10	250,000	250,000
Other Payables		10,000	10,000
Total Non-Current Liabilities		260,000	260,000
TOTAL LIABILITIES		3,421,865	19,713,049
Shareholder's Equity			
Share Capital	2	100,000	100,000
Retained Earnings	11	925,269	692,188
Total Shareholders' Equity		1,025,269	792,188
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		4,447,134	20,505,237

The financial statements on pages 3 to 14 were approved on 20th May, 2024 and signed on its behalf by:

(Director)



AMINES AND PLASTICIZERS FZ LLC
RAK ECONOMIC ZONE
RAS AL KHAIMAH - UAE

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED MARCH 31, 2024
(In Arab Emirates Dirham)

	<u>Note</u>	<u>2024</u>	<u>2023</u>
<u>REVENUE</u>			
Net Revenue		20,005,880	39,576,684
Less: Cost of Revenue		(18,438,137)	(36,270,102)
Gross Profit		<u>1,567,743</u>	<u>3,306,582</u>
<u>DEDUCT</u>			
General & Administration Expenses	12	(1,101,056)	(2,310,609)
Financial Charges		(23,586)	(32,271)
(Loss)/Gain on Exchange Fluctuation		(212,426)	(44,180)
		<u>(1,337,068)</u>	<u>(2,387,060)</u>
Profit for the year		230,675	919,522
Other Income		2,406	-
Total comprehensive income for the year		<u>233,081</u>	<u>919,522</u>

The financial statements on pages 3 to 14 were approved on 20th May, 2024 and signed on its behalf by:



(Director)



AMINES AND PLASTICIZERS FZ LLC
 RAK ECONOMIC ZONE
 RAS AL KHAIMAH - UAE

STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
 FOR THE YEAR ENDED MARCH 31, 2024

(In Arab Emirates Dirham)

	Shareholder's Capital	Retained Earnings	Total
Balance as at March 31, 2022	100,000	(227,334)	(127,334)
Total comprehensive income for the year	-	919,522	919,522
Balance as at March 31, 2023	100,000	692,188	792,188
Total comprehensive income for the year	-	233,081	233,081
Balance as at March 31, 2024	100,000	925,269	1,025,269

The financial statements on pages 3 to 14 were approved on 20th May, 2024 and signed on its behalf by:

(Director)



AMINES AND PLASTICIZERS FZ LLC
RAK ECONOMIC ZONE
RAS AL KHAIMAH - UAE

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2024
(In Arab Emirates Dirham)

	2024	2023
<u>Cash flow from Operating activities :</u>		
Total comprehensive profit/(loss) for the year	233,081	919,522
Adjustments for :		
Depreciation	-	-
Operating profit before changes in	233,081	919,522
<u>Operating Assets and Liabilities :</u>		
(Increase) / Decrease in Deposits, Advances & Prepayments	(471,488)	1,839,951
(Increase) / Decrease in Accounts Receivable	17,113,225	(17,398,843)
(Increase) / Decrease in Due from Related Party	(887,761)	(633,897)
(Decrease) / Increase in Provisions & Accruals	341,975	1,621,304
(Decrease) / Increase in Accounts Payable	-	(2,180)
(Decrease) / Increase in Due to Related Party	(16,633,159)	14,454,226
Net Cash inflow/(outflow) from Operating activities	(304,127)	800,083
<u>Cash flow from Investing activities :</u>		
Purchase of property, plant & equipment	-	-
Net Cash inflow /(outflow) from Investing activities	-	-
<u>Cash flow from Financing activities :</u>		
Net Loan Availment / (Repayment) during the year	-	-
Net Cash inflow /(outflow) from Financing activities	-	-
Net Increase/(Decrease) in cash and cash equivalents	(304,127)	800,083
Cash and cash equivalents at beginning of the year	1,427,799	627,716
Cash and Cash equivalents at end of the year	1,123,672	1,427,799
Represented by:		
Cash in Hand	-	-
Cash at Bank	1,123,672	1,427,799
	1,123,672	1,427,799

The financial statements on pages 3 to 14 were approved on 20th May, 2024 and signed on its behalf by:

(Director)



AMINES AND PLASTICIZERS FZ LLC
RAK ECONOMIC ZONE
RAS AL KHAIMAH - U.A.E

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

1. Legal status and business activity:

- 1.1 AMINES AND PLASTICIZERS FZ LLC, RAK Economic Zone - Ras Al Khaimah ("Free Zone limited liability Company") is incorporated on May 24, 2016 , under General Trading License issued by the Rak Economic Zone, Government of Ras Al Khaimah.
- 1.2 The main activities of the Company as per General Trading License are General Trading.
- 1.3 These financial statements incorporate the operating result of General Trading License No. 7001818.
- 1.4 The registered office of the Company is located at B04-207, Business Centre 03, RAKEZ Business Zone-FZ, Ras Al Khaimah, UAE.

2 Shareholder's capital:

Authorized, issued and paid up Share Capital of the Company is AED 100,000/-divided into 100 shares of AED 1,000/- each fully paid.

<u>Name</u>	<u>No. of Shares</u>	<u>Amount AED</u>
M/s Amines & Plasticizers Limited	100	100,000/-



AMINES AND PLASTICIZERS FZ LLC
RAK ECONOMIC ZONE
RAS AL KHAIMAH - U.A.E

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED MARCH 31, 2024

3 Adoption of new and revised International Financial Reporting Standards (IFRSs):

3.1 New standards, interpretations and amendments effective for the current year

The following new and revised standards and interpretations have been adopted in the current year with no material impact on the disclosures and amounts reported for the current and previous years but may affect the accounting for future transactions or arrangements:

Amendments to references to the Conceptual Framework in IFRS standards

Amendments to References to the Conceptual Framework in IFRS Standards related IFRS 17, IAS 1, IAS 8 and IAS 12 to update those pronouncements with regard to references to and quotes from the framework or to indicate where they refer to a different version of the Conceptual Framework.

IFRS 17 Insurance Contracts and Amendments to IFRS 17

IFRS 17 requires an entity to recognise profit from a group of insurance contracts over the period the entity provides services, and as the entity is released from risk. If a group of contracts is or becomes loss-making, the entity is required to recognise the loss immediately. The Accounting Standard also requires insurance revenue, insurance service expenses, and insurance finance income or expenses to be presented separately.

IAS 1 Presentation of Financial Statements

Disclosure of Accounting Policies amends IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements. The amendments replace the requirement for entities to disclose their significant accounting policies with the requirement to disclose their material accounting policy information. The amendments also include guidance to help entities apply the definition of material in making decisions about accounting policy disclosures.

IAS 8 Accounting Policies, Changes in Accounting Estimates and Error

Definition of Accounting Estimates amends IAS 8. The amendments introduced the definition of accounting estimates and included other amendments to help entities distinguish changes in accounting estimates from changes in accounting policies.

IAS 12 Income Taxes

Deferred Tax related to Assets and Liabilities arising from a Single Transaction amends IAS 12 Income Taxes. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of IAS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The amendments apply to transactions such as leases and decommissioning obligations.



AMINES AND PLASTICIZERS FZ LLC
RAK ECONOMIC ZONE
RAS AL KHAIMAH - U.A.E

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED MARCH 31, 2024

3.2 New standards, interpretations and amendments in issue but are not yet effective

At the date of Authorization of these financial statements, the company 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 IFRS 10 <i>Consolidated Financial Statements</i> and IAS 28 <i>Investments in Associates and Joint Ventures</i> (2011) relating to the treatment of the sale or contribution of assets from and investor to its associate or joint venture.	Effective date deferred indefinitely. Adoption is still permitted.
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The management believes that the adoption of the above amendments is not likely to have any significant impact on the financial statements of the Company for future years.

4 Summary of significant accounting policies:

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Boards (IASB), interpretations issued by International Financial Reporting Interpretations Committee (IFRIC), and applicable requirements of the U.A.E. Law. A summary of the significant accounting policies, which have been applied consistently, are set out as follows:

a) **Accounting Convention**

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

b) **Accrual accounting**

Generally the accrual method of accounting followed for the recognition of revenue and expenses.



AMINES AND PLASTICIZERS FZ LLC
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RAS AL KHAIMAH - U.A.E

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED MARCH 31, 2024

c) **Property, Plant and Equipments**

There are no Fixed Assets as of the balance sheet date, as confirmed by the management.

d) **Inventories**

There are no inventories as on the balance sheet date, as confirmed by the management.

e) **Employee's Terminal Benefits**

Staff Statutory Benefits are being accounted upon payments.

f) **Financial Expenses**

Financial expenses are accounted in the statement of income in the year in which they are incurred.

g) **Provisions**

Provisions are recognized when the Company has a present obligation as a result of a past event, which it is probable will result in an outflow of economic benefits that can be reasonably estimated.

h) **Financial Instruments**

Financial instruments comprise financial assets and financial liabilities, Financial assets and financial liabilities are recognised on the Company balance sheet when the Company has become a party to the contractual provisions of the instrument. A financial asset is any asset that is cash, a contractual right to receive cash or other financial asset, a contractual right to exchange financial instruments under conditions that are potentially favourable or an equity instrument. A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset, or to exchange financial instruments under conditions that are potentially unfavourable.



AMINES AND PLASTICIZERS FZ LLC
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED MARCH 31, 2024

i) **Foreign Currencies**

Foreign currency transactions are converted into UAE Dirhams at the rate of exchange prevailing on the date of transactions. Any resulting gain or loss by exchange rate fluctuations of foreign currency account are treated as income or expenses.

j) **Trade Receivables**

Sales made on credit are included in trade receivables at the balance sheet date, as reduced by appropriate allowances for estimated doubtful amounts. Bad debts are written off as they arise.

k) **Trade Payables**

There are no trade payables as of the balance sheet date, as confirmed by the management.

l) **Comparative Figures**

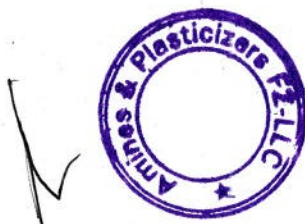
Previous year's figures have been regrouped / reclassified wherever necessary to conform to the presentation adopted in the current year.

m) **Cash and Cash Equivalents**

Cash and Cash equivalents for the purpose of cash flow statement consists of cash on hand and Cash at Bank.

n) **General**

Figures in the financial Statements are rounded off to the nearest UAE Dirhams.



AMINES AND PLASTICIZERS FZ LLC
RAK ECONOMIC ZONE
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED MARCH 31, 2024
(In Arab Emirates Dirham)

	<u>2024</u>	<u>2023</u>
5 CASH AND BANK BALANCE		
Cash in Hand	-	-
Cash at Bank	1,123,672	1,427,799
	<u>1,123,672</u>	<u>1,427,799</u>
6 DEPOSITS, ADVANCES AND PREPAYMENTS		
Fixed Deposit with Bank	62,740	60,336
Refundable Deposits	16,350	18,109
Advance to suppliers	1,296,127	901,550
Prepayments	82,219	5,953
	<u>1,457,436</u>	<u>985,948</u>
7 ACCOUNTS RECEIVABLES		
Accounts Receivable	344,368	17,457,593
	<u>344,368</u>	<u>17,457,593</u>

8 RELATED PARTIES TRANSACTIONS

The Company enters into transactions with Companies and entities that fall within the definition of a related party as contained in International Financial Reporting Standards (IFRS). Related parties comprise Company and entities under common ownership and/ or common management and control; their partners and key management personnel.



AMINES AND PLASTICIZERS FZ LLC
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED MARCH 31, 2024
(In Arab Emirates Dirham)

RELATED PARTIES TRANSACTIONS (Continued..)

The Company believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties.

The Company provides/receives funds to/from related parties as when required as working capital facilities.

At the balance sheet date, due from/to a related party was as follows:

	<u>2024</u>	<u>2023</u>
<u>DUE FROM RELATED PARTY</u>		
M/s. Amines & Plasticizers Limited	1,521,658	633,897
	<u>1,521,658</u>	<u>633,897</u>

DUE TO RELATED PARTY

M/s. Amines & Plasticizers Limited - Trade Payable	1,090,046	17,723,205
	<u>1,090,046</u>	<u>17,723,205</u>

9 PROVISIONS AND ACCRUALS

Accrued expenses	27,294	27,338
Commission Payable	1,087,545	1,702,506
Other Payable	956,980	-
	<u>2,071,819</u>	<u>1,729,844</u>



AMINES AND PLASTICIZERS FZ LLC
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED MARCH 31, 2024
(In Arab Emirates Dirham)

	2024	2023
10 LONG TERM LOAN		
M/s. Amines & Plasticizers Limited	250,000	250,000
	<u>250,000</u>	<u>250,000</u>

This represents the loan borrowed from M/s. Amines & Plasticizers Limited for business purposes, the said loans are repayable as per the repayment schedule. These loans carry an interest at the rate of 9% per annum.

11 RETAINED EARNINGS

Opening Balance b/f	692,188	(227,334)
Total comprehensive profit for the year	233,081	919,522
Closing Balance c/f	<u>925,269</u>	<u>692,188</u>

12 GENERAL & ADMINISTRATION EXPENSES

Lease, License & Other Government Fees	42,200	43,935
Legal, Professional & Visa Charges	11,985	6,585
Insurance Expenses	-	3,795
Freight Charges	329,524	546,773
Sales Commission	709,135	1,702,506
Communication Expenses	2,567	2,112
Other General & Administration Expenses	5,645	4,903
	<u>1,101,056</u>	<u>2,310,609</u>

