**Shoora International - F.Z.E**
**Ajman Free Zone, Ajman, U.A.E.**

**Auditor's Report & Financial Statements**
**For the year ended 31st March, 2023**

**Shoora International - F.Z.E**
**Ajman Free Zone, Ajman, U.A.E.**

**Auditor's Report & Financial Statements**
**For the year ended 31st March, 2023**

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## INDEPENDENT AUDITOR'S REPORT

**The Shareholders,**
**Shoora International - F.Z.E**
**Ajman Free Zone, Ajman, U.A.E.**

### Report on the audit of Financial Statements

### Opinion

We have audited the accompanying financial statements of **Shoora International - F.Z.E** which comprise the Statement of Financial Position as at **31st March, 2023,** and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows and Changes in Equity for the year then ended, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements give a true and fair view of the financial position of **Shoora International - F.Z.E** as of **31st March, 2023,** and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards.

### Basis of 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 of Accountants Code of Ethics for Professional Accountants (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the company's Memorandum and Articles of Association and the UAE Federal Law No. (2) of 2015 (as amended), and for such internal control as management 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### 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 International Standards on Auditing 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.

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(Continued on page 2)



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(Continued from page 1)

As part of an audit in accordance with International Standards on Auditing, 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 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 fair presentation.

**Report on other legal and regulatory requirements**

- We have obtained all the information and explanation we considered necessary for our audit.
- The financial statements comply, in all material respect with the applicable provisions of UAE Federal Law No. (2) of 2015 (as amended) and the Articles of Association of the Company.
- Based on the information and explanation that has been made available to us nothing came to our attention which causes us to believe that the Company has contravened during the financial year ended **31st March, 2023** any of the applicable provisions of UAE Federal Law No. (2) of 2015 (as amended) or the Articles of Association of the Company which would have a material effect on the Company's activities or on its financial position for the year.

**For ......**
**Dubai, United Arab Emirates**
**29th April, 2023**

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Shoora International - F.Z.E
Ajman Free Zone, Ajman, U.A.E.

Statement of Financial Position
As at 31st March, 2023

| | Notes | 2023<br>USD | 2022<br>USD |
|---|---|---|---|
| **Non Current Assets:** | | | |
| Property, plant and equipment | 6 | 27,016 | 20,701 |
| | | **27,016** | **20,701** |
| **Current Assets:** | | | |
| Trade receivables | 7 | 625,859 | 128,641 |
| Cash at bank | 8 | 16,732 | 1,022 |
| Prepaid expenses | 9 | 6,744 | 25,140 |
| | | **649,335** | **154,803** |
| **Total Assets** | | **676,351** | **175,504** |
| **Equity:** | | | |
| Share capital | 2 | 50,409 | 50,409 |
| Legal reserve | | 41,360 | 3,826 |
| Retained earnings | 10 | 362,238 | 24,433 |
| Shareholder's current account | 11 | 4,748 | 5,750 |
| | | **458,755** | **84,418** |
| **Non current liability:** | | | |
| Staff terminal benefits | | 2,653 | 2,091 |
| | | **2,653** | **2,091** |
| **Current Liabilities:** | | | |
| Trade payables | 12 | 211,453 | 86,873 |
| Accrued expenses | | 3,490 | 2,122 |
| | | **214,943** | **88,995** |
| **Total Liabilities** | | **217,596** | **91,086** |
| **Total Equity and Liabilities** | | **676,351** | **175,504** |

The accompanying notes on pages 7 to 15 form an integral part of these financial statements.
The Report of the Auditor's is set out on page 1 & 2.
For Shoora International - F.Z.E

Authorized Signatory

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Ajman Free Zone
U.A.E.
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Shoora International - F.Z.E
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Statement of Profit or Loss and Other Comprehensive Income
For the year ended, 31st March, 2023

| | Notes | 2023 | 2022 |
|---|---|---|---|
| | | USD | USD |
| Sales | 13 | 3,154,730 | 580,865 |
| Cost of sales | 14 | (2,563,640) | (464,021) |
| **Gross Profit** | | **591,090** | **116,844** |
| **Operating Expenses** | | | |
| Depreciation | 6 | (17,339) | (12,608) |
| Administration and selling expenses | 15 | (201,654) | (100,257) |
| Other income | | 3,242 | 4,119 |
| | | **(215,751)** | **(108,746)** |
| **Net Profit for the Year** | | **375,339** | **8,098** |
| Other comprehensive income | | - | - |
| **Total Comprehensive Income for the Year** | | **375,339** | **8,098** |

The accompanying notes on pages 7 to 15 form an integral part of these financial statements.
The Report of the Auditor's is set out on page 1 & 2.

For Shoora International - F.Z.E

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Statement of Cash Flows
For the year ended, 31st March, 2023

| | 2023 USD | 2022 USD |
|---|---|---|
| **Cash flows from operating activities** | | |
| Net profit for the year | 375,339 | 8,098 |
| Adjustment for : | | |
| Depreciation | 17,339 | 12,608 |
| Staff terminal benefits | 562 | 246 |
| Operating cash flows before changes in net operating assets | 393,240 | 20,952 |
| Decrease / (Increase) in Current Assets | | |
| Trade receivables | (497,218) | (23,526) |
| Prepaid expenses | 18,396 | (6,875) |
| (Decrease) / Increase in Current Liabilities | | |
| Trade payables | 124,580 | 24,558 |
| Accrued expenses | 1,368 | 96 |
| **Net cash generated from operating activities (A)** | **40,366** | **15,205** |
| **Cash flows from investing activities** | | |
| Property, plant and equipment | (23,654) | (12,822) |
| **Net cash (used in) investing activities (B)** | **(23,654)** | **(12,822)** |
| **Cash flows from financing activities** | | |
| Loan from others | | - |
| Net movement in shareholders' current account | (1,002) | (2,220) |
| **Net cash generated from financing activities (C)** | **(1,002)** | **(2,220)** |
| **Net (decrease) / increase in cash and cash equivalents (A)** | **15,710** | **163** |
| Cash and cash equivalents at beginning of the year | 1,022 | 859 |
| **Cash and cash equivalents at end of the year** | **16,732** | **1,022** |

**The accompanying notes on pages 7 to 15 form an integral part of these financial statements.**
**The Report of the Auditor's is set out on page 1 & 2.**

For Shoora International - F.Z.E

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Statement of Changes in Equity
For the year ended, 31st March, 2023

| | Share capital | Legal reserve | Retained earnings | Shareholder's current account | Total |
|---|---|---|---|---|---|
| | USD | USD | USD | USD | USD |
| At 1st April, 2021 | 50,409 | 3,016 | 17,145 | 7,970 | 78,540 |
| Total comprehensive income for the year | - | | 8,098 | - | 8,098 |
| Transfer to legal reserve | - | 810 | (810) | - | - |
| Movements in current account | - | | - | (2,220) | (2,220) |
| **At 31st March, 2022** | **50,409** | **3,826** | **24,433** | **5,750** | **84,418** |
| Total comprehensive income for the year | - | - | 375,339 | - | 375,339 |
| Transfer to legal reserve | - | 37,534 | (37,534) | - | - |
| Movements in current account | - | - | - | (1,002) | (1,002) |
| **At 31st March, 2023** | **50,409** | **41,360** | **362,238** | **4,748** | **458,755** |

The accompanying notes on pages 7 to 15 form an integral part of these financial statements.
The Report of the Auditor's is set out on page 1 & 2.

For Shoora International - F.Z.E

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Notes to the Financial Statements
For the year ended, 31st March, 2023

## 1 Legal status and activities

1.1 **Shoora International - F.Z.E** was registered in Ajman Free Zone, Ajman on 3rd November, 2016 as a Free Zone Establishment with Limited Liability under the Commercial License No. 19849 issued by Ajman Free Zone Authority, Government of Ajman. The registered address of the FZE is office - E1-309 A, Ajman, U.A.E.

1.2 The Shoora International FZE is managed by Mr. Mohammed Nabeel, an Indian national.

1.3 The Shoora International FZE is primarily engaged in the business of the wholesale trading of Telecom Equipments and its maintenance services, Trading of optical Fibre Cables and other accessories

## 2 Shareholding

2.1 The shareholding of the FZE is as follows:

| Name | Nationality | No. of shares | Value per share USD | Total value USD | % age |
|---|---|---|---|---|---|
| 1. M/s SAR Televenture Private Limited | INDIA | 100 | 504 | 50,409 | 100 |
| | | 100 | | 50,409 | 100 |

2.2 The authorized and paid up share capital of the FZE is USD 50,409/- divided into 100 shares of USD 504.09/- each.

## 3 Application of New and Revised International Financial Reporting Standards (IFRs)

The Company has adopted all of the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective from January 1, 2020. The following amendments and interpretations apply for the first time in 2020, but do not have an impact on the financial statements of the Company.

Amendments to IFRS 16: COVID-19 - Related Rent Concessions, effective from 1st June 2020.

References to Conceptual Framework in IFRS Standards, effective from 1st January 2020.

Amendments to IAS 1 and IAS 8: Definition of Material, effective from 1st January 2020.

Amendments to IFRS 3: Definition of a Business, effective from 1st January 2020.

Amendments to IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform, effective from 1st January 2020.

## 4 Summary of Significant Accounting Policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Shoora International - F.Z.E
Ajman Free Zone, Ajman, U.A.E.

4 **Summary of Significant Accounting Policies (continued)**

a) **Basis of preparation**

- These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), interpretations issued by International Financial Reporting Interpretations Committee (IFRIC), and applicable requirements of the U.A.E. Law.
- The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Establishment's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed.
- Management believes that the underlying assumptions are appropriate and that the FZE's financial statements therefore fairly present the financial position and results.
- There are no areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements.

b) **Going concern**

The financial statements are prepared on a going concern basis.

When preparing the financial statements, management makes an assessment of the Company's ability to continue as a going concern. Financial statements are prepared on a going concern basis unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

c) **Statement of compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB).

d) **Accounting convention**

These financial statements have been prepared under the historical cost convention. The fair / net realizable value concept of measurement of assets and liabilities has also been applied wherever applicable under IFRSs.

e) **Functional and presentation currency**

Items included in the financial statements of the FZE are measured using the currency in which the majority of its transactions are denominated ("the functional currency"). The financial statements are presented in United State Dollar's ("USD"), which is the FZE's functional and presentation currency.

f) **Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Establishment and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services rendered in the ordinary course of the Establishment's activities. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

As per IAS 18, Revenue arising from the sale of goods should be recognized when all of the following criteria have been satisfied such as the seller has transferred to the buyer the significant risks and rewards of ownership, the seller retains neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the seller, and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

g) **Revenue from Contracts with Customers**

IFRS 15 "*Revenue from contracts with customers*" replaces IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts.

The new standard is based on the principle that revenue is recognized when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards.

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4 **Summary of Significant Accounting Policies (continued)**

g) **Revenue from Contracts with Customers (continued)**

A new five-step process must be applied before revenue can be recognized: i) Identify contracts with customers: ii) Identify the separate performance obligation: iii) Determine the transaction price of the contract: iv) Allocate the transaction price to each of the separate performance obligations, and v) Recognize the revenue as each performance obligation is satisfied.

Key changes to current practice are:

i Any bundled goods or services that are distinct must be separately recognized, and any discounts or rebates on the contract price must generally be allocated to the separate elements.

ii Revenue may be recognized earlier than under current standards if the consideration varies for any reasons (such as for incentives, rebates, performance fees, royalties, success of an outcome etc.) - minimum amounts must be recognized if they are not at significant risk of reversal.

iii The point at which revenue is able to be recognized may shift: some revenue which is currently recognized at a point in time at the end of a contract may have to be recognized over the contract term and vice versa.

iv There are new specific rules on licenses, warranties, non-refundable upfront fees and, consignment arrangements, to name a few.

v Increased required disclosures.

h) **Financial Instruments**

IFRS 9 contains three principal classification categories for the financial assets i.e. measured at: amortized cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL"). The existing IAS 39 categories of held-to-maturity loans and, receivables and available for the sale are removed.

***Classification***

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortized cost: fair value through other comprehensive income ("FVTOCI")-debt investment: FVTOCI-equity investment, or fair value through profit or loss ("FVTPL").

The classification of financial assets depends on the Company's business model for managing the financial assets that whether the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the cash flows that whether contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Management determines the classification of its investment at initial recognition.

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at FVTPL or at amortized cost. The Company determines the classification of its financial liabilities at initial recognition.

***Recognition***

Financial assets and financial liabilities are recognized when, and only when, the Company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset.

***Derecognition***

Financial assets are de-recognized when, and only when,

- The contractual rights to receive cash flows expire or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

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4 **Summary of Significant Accounting Policies (continued)**

h) **Financial Instruments (continued)**

(a) the Company has transferred substantially all the risks and rewards of the asset,

Or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities are de-recognized when, and only when, they are extinguished i.e. when obligation specified in the contract is discharged, cancelled or expired.

***Measurement***

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. Transactions costs of financial assets carried at FVTPL are expensed in profit or loss.

The following accounting policies apply to the subsequent measurement of financial assets and liabilities.

*Financial assets at amortized cost*

Financial assets that meet the following conditions are subsequently measured at amortized cost less impairment loss and deferred income, if any (except for those assets that are designated as at fair value through other comprehensive income on initial recognition) using the effective interest method. All other financial assets are subsequently

1. the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

2. the contractual terms of the instrument give rise to cash flows on specified dates that are solely payments of principal and profit on the principal amount outstanding.

Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

*Financial liabilities*

All financial liabilities are subsequently measured at amortized cost using the effective interest method.

Financial liabilities at amortized cost comprise of current/non-current borrowings, trade and other payables, amount due to related parties, shareholders' current accounts and loans from shareholder.

i) **Critical accounting estimates and judgments**

The preparation of financial statements in conformity with approved accounting standards requires the use of judgments. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances.

The areas where various assumptions were exercised in application of accounting policies that are significant to the financial statements are as:

i Useful life of property, plant and equipment.

ii Allowance for doubtful debts, specific provisions for individual accounts are recorded based on customer's inability to meet its financial obligations.
At the end of each reporting year, management conducts an assessment of each of the assets referred-to above to determine whether there are any indications that they may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made and changes are reflected in the financial statements of the year of change and, if material their effects are disclosed in the financial statements. These are explained in the notes on the respective items of assets in the accounting policies.

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4 **Summary of Significant Accounting Policies (continued)**

j) **Foreign currency transactions**

As per IAS 21, Foreign currency transactions should be recorded initially at the rate of exchange at the date of the

At each subsequent balance sheet date.

Foreign currency monetary amounts should be reported using the closing rate.

Non-monetary items carried at historical cost should be reported using the exchange rate at the date of the transaction.

Non-monetary items carried at fair value should be reported at the rate that existed when the fair values were determined.

Exchange differences arising when monetary items are settled or when monetary items are translated at rates different from those at which they were translated when initially recognized or in previous financial statements are reported in the 'Statement of Profit or Loss and Other Comprehensive Income'. on net basis as either 'Foreign exchange gains' or 'Foreign exchange losses' and included in 'Other operating income' or "Other operating expenses' respectively.

k) **Impairment of assets**

As per IAS 36, At the end of each reporting year, the entity is require to reviews the carrying amounts of its tangible and intangible assets whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets other than goodwill are reviewed at the end of each reporting year for possible reversal of the impairment loss.

l) **Trade receivables**

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less they are classified as current assets otherwise as non-current assets. Trade receivables are carried at the invoice amounts less an estimate made for doubtful receivables based on a review of all outstanding amounts at the year-end. Bad debts are written off when identified.

m) **Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and – for the purpose of the Statement of Cash Flows - bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities on the Statement of Financial Position.

n) **Trade payables, provisions and accruals**

Liabilities are recognized for amounts to be paid in future for goods and services rendered, whether or not billed to the establishment.

Provisions are recognized when the FZE 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

5 **Critical Accounting Judgements and Key Sources of Estimation Uncertainty**

In the application of the Company's accounting policies, which are described in note 3, the management of the Company is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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**5 Critical Accounting Judgments and Key Sources of Estimation Uncertainty (continued)**

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

*Critical judgments in applying accounting policies*

The following are the critical judgments, apart from those involving estimations, that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Satisfaction of performance obligations under IFRS 15 Revenue from contracts with customers

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue. Revenue is recognized when the Company satisfies a performance obligation by transferring the promised good or service to the customer, which is when the customer obtains control of the good or service.

*Determination of transaction prices*

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

**6 Property, plant and equipment**

| | Office equipments | Total |
|---|---|---|
| **Cost** | USD | USD |
| At 1st April, 2022 | 63,041 | 63,041 |
| Addition during the year | 23,654 | 23,654 |
| **At 31st March, 2023** | **86,695** | **86,695** |
| **Accumulated depreciation** | | |
| At 1st April, 2022 | 42,340 | 42,340 |
| Charge for the year | 17,339 | 17,339 |
| **At 31st March, 2023** | **59,679** | **59,679** |
| **Net book value** | | |
| **At 31st March, 2023** | **27,016** | **27,016** |
| **At 31st March, 2022** | **20,701** | **20,701** |

| | | | | 2023 | 2022 |
|---|---|---|---|---|---|
| | | | | USD | USD |
| 7 | **Trade receivables** | (Note 7.1) | | **625,859** | **128,641** |
| 7.1 | **Age analysis** | | USD | | |
| | 1 to 365 days | | **625,859** | | |
| 8 | **Cash at bank** | | | | |
| | Cash at bank | | | 16,732 | 1,022 |
| | | | | **16,732** | **1,022** |

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إن بي إن
لمراجعة الحسابات
NBN
AUDITING OF ACCOUNTS
محاسبون قانونيون ومستشارون
Chartered Accountants & Consultants

Shoora International - F.Z.E
Ajman Free Zone, Ajman, U.A.E.

| | | | 2023 | 2022 |
|---|---|---|---|---|
| | | | USD | USD |
| 9 | **Prepaid expenses** | | | |
| | Prepaid expenses | | 6,744 | 25,140 |
| | | | **6,744** | **25,140** |
| 10 | **Retained earnings** | | | |
| | Opening balance | | 24,433 | 17,145 |
| | Total comprehensive income for the year | | 375,339 | 8,098 |
| | Transfer to legal reserve | | (37,534) | (810) |
| | | | **362,238** | **24,433** |
| 11 | **Shareholder's current account** | | | |
| | Opening balance | | 5,750 | 7,970 |
| | Funds withdrawn during the year | | (1,002) | (2,220) |
| | | | **4,748** | **5,750** |
| 12 | **Trade payables** | (Note 12.1) | **211,453** | **86,873** |
| 12.1 | **Age analysis** | | | |
| | 1 to 30 days | **211,453** | | |
| 13 | **Sales** | | | |
| | Sales | | 3,154,730 | 580,865 |
| | | | **3,154,730** | **580,865** |
| 14 | **Cost of sales** | | | |
| | Purchases and direct expenses | | 2,563,640 | 464,021 |
| | | | **2,563,640** | **464,021** |
| 15 | **Administration and selling expenses** | | | |
| | Salary and benefits | | 47,363 | 22,376 |
| | Legal, professional, and visa charges | | 21,333 | 14,373 |
| | Rent | | 16,353 | 8,373 |
| | Communication and utilities | | 29,299 | 18,755 |
| | Travelling and conveyance | | 11,243 | 9,133 |
| | Other expenses | | 76,063 | 27,247 |
| | | | **201,654** | **100,257** |

**Shoora International - F.Z.E**
**Ajman Free Zone, Ajman, U.A.E.**

**16 Fair value of financial instruments**

The FZE's financial instruments are accounted for under the historical cost convention. Fair value represents the amount at which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction, therefore, differences can arise between values under the historical cost method and fair value estimates. The fair value of the FZE's financial instruments is not materially different from the carrying value at 31st March, 2023.

**17 Liquidity and interest risk**

Liquidity risk is the risk that the FZE is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn.

The FZE aims to maintain adequate cash and bank balances to meet its operating commitments. In addition, the FZE has an arrangement to settle its liabilities and obligations on a timely basis in order to ensure that the FZE has sufficient liquidity to meet its operating requirements.

Interest rate risk arises from mismatches in the interest rate profile of the FZE's assets and liabilities. Cash flow interest risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The FZE takes on minimal exposure to the effects of fluctuations in the prevailing levels of market interest rates on cash flow as the FZE's interest earning assets and interest bearing liabilities carry a fixed rate of interest. The FZE takes on minimal exposure to the effects of fluctuations in the prevailing levels of market interest rates on fair value interest rate risk. The FZE strives to maintain an interest rate profile that will lead to financial performance consistent with its long term objectives.

**18 Exchange rate risk**

Since the main underlying currencies of the financial instruments, other assets, other liabilities and transactions including cost of sales and sales are in U.S.D. Dollar's, the FZE is not exposed to a significant exchange rate risk.

**19 Risk factors related to COVID 19**

The Company's operations, cash flows and financial condition could be negatively affected due to the following:

If employees are quarantined as a result of exposure to COVID 19, this could result in disruption of operations, supply chain delays, trade restrictions and impact on economic activity.

Similarly, travel restrictions or operational issues resulting from the rapid spread of COVID 19 in a part of the world in which the Company has significant operations may have a material adverse effect on the business and results of operations.

Continued decline in oil prices could have an impact, including reduced government spending, in the primary economies in which the Company operate in.

Notwithstanding, these developments could impact our future financial results, cash flows and financial position. As at the reporting date, management has assessed that the Company will continue to operate as a going concern in the near future.

**20 Contingencies and commitments**

As at 31st March, 2023, the FZE had no contingencies and commitments.

Shoora International - F.Z.E
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21 Comparative figures

Previous year's figures have been reclassified / regrouped wherever necessary to conform to the presentation adopted in these financial statements. Figures of the FZE have been rounded off to nearest USD 1/-.

**The accompanying notes on pages 7 to 15 form an integral part of these financial statements.**
**The Report of the Auditor's is set out on page 1 & 2.**

For Shoora International - F.Z.E

Authorized Signatory

شورا العالمية م.م.ح
Ajman Free Zone
U.A.E.
SHOORA INTERNATIONAL F.Z.E