EKC International FZE
Jebel Ali Free Zone
Dubai - U.A.E.

Financial Statements and Reports
Year Ended 31 March 2026

Country of Registration:
United Arab Emirates

Office:
P.O. Box 61041
Jebel Ali Free Zone
Dubai, United Arab Emirates

EKC International FZE
Jebel Ali Free Zone
Dubai - U.A.E.

Financial Statements and Reports
Year Ended 31 March 2026

Contents

EKC International FZE

Directors' Report

The board submits the report and accounts for the year ended 31 March 2026. We approve the financial statements and confirm that we are responsible for these, including selecting the accounting policies and making the judgments underlying them. We confirm that we have made available all relevant accounting records and information for the compilation.

Review of the business

The company is engaged in manufacturing of high pressure gas cylinders, assembling fire fighting equipments and fire extinguisher gas bottling through its 2 plants in Jebel Ali Free Zone, Dubai, United Arab Emirates.

In current year, the company has earned operating revenue of AED 61,696,771 and gross profit of AED 13,332,138. The net profit after tax amounted to AED 495,011. The management does not recommend any dividend for the year.

Events since the end of the period

There are no significant events since the end of the reporting date.

Share capital

The authorized, issued and paid up share capital of the company is AED 1,000,000/-

Shareholders and their interests

As of reporting date, the company is a wholly owned subsidiary of Everest Kanto Cylinder Limited, Mumbai, India, a listed public company in India.

Independent Auditor

M/s. Surendra Manishanker Joshi (Chartered Accountants) were appointed as independent auditor for the year ended 31 March 2026 and it is proposed that they be re-appointed for the year ending 31 March 2027.

For EKC International FZE
For and on behalf of the board

Pushkar Kumar Khurana
Managing Director

P.O.Box: 61041
JEBEL ALI
DUBAI - U.A.E.
EKC INTERNATIONAL FZE

22 May 2026

Independent Auditor's Report to the Shareholders of EKC International FZE

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **EKC International FZE** (the "Company"), which comprises of the statement of financial position as at 31 March 2026, and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and explanatory notes.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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) together with the ethical requirements that are relevant to our audit of the financial statements in the UAE, 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.

Emphasis of Matter: Separate Financial Statements

These financial statements are the separate financial statements of the company. The consolidated financial statements of the company and its subsidiaries, which are required to be presented in accordance with International Financial Reporting Standard 10: Consolidated Financial Statements, are presented separately by the ultimate parent company Everest Kanto Cylinder Limited, India and will be available on www.bseindia.com. Our opinion is not modified in respect of this matter.

Other matter

The financial statements of the company for the year ended 31 March 2025 which are shown as comparatives, were audited by other auditors who have expressed an unmodified opinion on those statements on 15 May 2025.

Other Information

Management is responsible for the other information. Other information comprises the directors' report, which we obtained prior to the date of this auditor's 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 conclusion thereon.

S.M. JOSHI Chartered Accountants Auditors Dubai - U.A.E.

ص.ب.: ٢١٧٠٨، دبـي – الإمـارات العربية المتحدة، تلـيـفون : ٢٧٣٥٠٩٦– ٠٤ / ٢٧٣٧٠٠٠ – ٠٤
P. O.Box : 21708, Dubai, U.A.E. Tel.: 04-2735096 / 04-2737000, E-mail : joshi101@emirates.net.ae
Surendra Manishanker Joshi - Chartered Accountants

Independent Auditor's Report to the Shareholders of EKC International FZE

Report on the Audit of the Financial Statements (continued)

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 are required to report the material misstatement on the other information. We have nothing to report in this regard.

Responsibilities of Management and Those Charged With Governance 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 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.

Management is responsible for ensuring compliance with applicable laws and regulations, including transfer pricing regulations, and for the identification and disclosure of related party transactions in accordance with the applicable financial reporting framework.

Those charged with governance 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.

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.

S.M. JOSHI Chartered Accountants Auditors Dubai - U.A.E.

ص.ب.: ٢١٧٠٨، دبـي - الإمـارات العربية المتحدة، تلـيـفون : ٢٧٣٥٠٩٦ - ٠٤ / ٢٧٣٧٠٠٠ - ٠٤
P. O.Box : 21708, Dubai, U.A.E. Tel.: 04-2735096 / 04-2737000, E-mail : joshi101@emirates.net.ae
Surendra Manishanker Joshi - Chartered Accountants

Independent Auditor's Report to the Shareholders of
EKC International FZE

Report on the Audit of the Financial Statements (continued)

- 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.

- Our procedures were limited to identifying related party relationships and transactions and assessing their proper recording and disclosure in accordance with IAS 24 Related Party Disclosures. We do not opine on compliance of such transactions with transfer pricing or tax regulations.

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

Report on Other Legal and Regulatory Requirements

We confirm that the financial statements comply with Jebel Ali Free Zone Companies Implementing Regulations 2016. Also, in our opinion, proper books of account and other records have been maintained in accordance with the said regulation.

For Surendra Manishanker Joshi (Chartered Accountants)

سورندرا مانشنكر جوشي (محاسبون قانونيون)
P.O. Box : 21708
DUBAI - U.A.E.
SURENDRA MANISHANKER JOSHI (CHARTERED ACCOUNTANTS)

Naman Mahesh Bilakhia
Partner
Auditor registration no. 5556

Dubai, United Arab Emirates
22 May 2026

ص.ب.: ٢١٧٠٨، دبـي – الإمـارات العربية المتحدة، تلـيـفون : ٠٤-٢٧٣٥٠٩٦ / ٠٤-٢٧٣٧٠٠٠
P. O.Box : 21708, Dubai, U.A.E. Tel.: 04-2735096 / 04-2737000, E-mail : joshi101@emirates.net.ae
Surendra Manishanker Joshi - Chartered Accountants

EKC International FZE

Statement of profit or loss and other comprehensive income
For the year ended 31 March 2026

	Notes	Year Ended 31.03.2026 AED	Year Ended 31.03.2025 AED	4th Quarter Ended 31.03.2026 AED	3rd Quarter Ended 31.12.2025 AED	2nd Quarter Ended 30.09.2025 AED	1st Quarter Ended 30.06.2025 AED
Revenue	7	61,696,771	75,072,493	12,137,212	12,488,553	17,089,481	19,981,525
Cost of sales	8	(48,364,633)	(60,027,595)	(8,882,968)	(10,713,412)	(12,683,253)	(16,085,002)
Gross profit		13,332,138	15,044,898	3,254,244	1,775,141	4,406,228	3,896,523
Other income	9	3,681,840	4,664,235	566,906	1,157,839	677,076	1,280,019
Staff salaries and benefits	10	(2,467,820)	(2,470,111)	(617,638)	(637,917)	(610,406)	(601,859)
Sales and marketing expenses	11	(3,327,661)	(3,963,912)	(815,719)	(717,936)	(987,141)	(806,865)
Administrative expenses	12	(3,020,253)	(4,638,985)	(653,973)	(804,572)	(862,015)	(699,693)
Financial charges	13	(143,465)	(439,784)	(27,481)	(38,080)	(50,463)	(27,441)
Depreciation	14	(2,910,984)	(2,874,246)	(739,660)	(738,659)	(720,511)	(712,154)
Directors remuneration and benefits		(2,847,197)	(2,372,760)	(847,248)	(570,970)	(846,454)	(582,525)
Bad debt written off		(1,470,395)	(1,076,193)	(1,140,593)	-	(329,802)	-
Impairment loss on investment in subsidiary	15	(331,192)	-	-	(331,192)	-	-
Profit before tax		**495,011**	**1,873,142**	**(1,021,162)**	**(906,346)**	**676,512**	**1,746,005**
Corporate tax expense		-	-	-	-	-	-
Net profit after tax		**495,011**	**1,873,142**	**(1,021,162)**	**(906,346)**	**676,512**	**1,746,005**
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the period		**495,011**	**1,873,142**	**(1,021,162)**	**(906,346)**	**676,512**	**1,746,005**

The accompanying notes form an integral part of these interim financial statements. The report of the independent auditor is set forth on page 2 to 4.

For EKC International FZE
For and on behalf of the board

Pushkar Kumar Khurana
Managing Director

ای کی سی انترناشیونل م م ح
P.O.Box: 61041
JEBEL ALI
DUBAI - U.A.E.
EKC INTERNATIONAL FZE

S.M. JOSHI
Chartered Accountants Auditors
Dubai - U.A.E.

EKC International FZE

Statement of financial position **As at 31 March 2026**	Notes	31.03.2026 AED	31.03.2025 AED
Assets			
Non-Current Assets			
Property, plant and equipment	14	31,139,046	30,974,896
Investment in subsidiaries	15	206,010,046	206,585,146
Capital work in progress	16	490,765	108,108
Loan to a related party	17	1,401,235	-
		239,041,092	**237,668,150**
Current Assets			
Assets held for sale	18	413,818	-
Inventories	19	54,446,808	54,388,691
Trade and other receivables	20	13,305,405	11,613,082
Other current assets	21	4,292,511	3,251,190
Cash and cash equivalents	22	15,282,421	23,572,211
		87,740,963	**92,825,174**
Total Assets		**326,782,055**	**330,493,324**
Equity and Liabilities			
Shareholders' Funds			
Share capital	23	1,000,000	1,000,000
Additional capital		16,203,619	16,203,619
Accumulated profits		298,011,637	297,516,626
Equity funds		**315,215,256**	**314,720,245**
Non-Current Liabilities			
Provision for employee terminal benefits	24	567,015	486,606
Borrowings	25	626,807	364,633
		1,193,822	**851,239**
Current Liabilities			
Borrowings	25	325,642	185,556
Trade and other payables	26	10,047,335	14,736,284
		10,372,977	**14,921,840**
Total Equity and Liabilities		**326,782,055**	**330,493,324**

The accompanying notes form an integral part of these interim financial statements. The report of the independent auditor is set forth on page 2 to 4.

For EKC International FZE
For and on behalf of the board

Pushkar Kumar Khurana
Managing Director

EKC International FZE

Interim statement of changes in equity
For the year ended 31 March 2026

	Share Capital AED	Additional Capital AED	Accumulated Profits AED	Total AED
Balance as at 01.04.2024	**1,000,000**	**16,203,619**	**295,643,484**	**312,847,103**
Net profit after tax	-	-	1,873,142	1,873,142
Other comprehensive income	-	-	-	-
Balance as at 31.03.2025	**1,000,000**	**16,203,619**	**297,516,626**	**314,720,245**
Net profit after tax	-	-	495,011	495,011
Other comprehensive income	-	-	-	-
Balance as at 31.03.2026	**1,000,000**	**16,203,619**	**298,011,637**	**315,215,256**

The accompanying notes form an integral part of these interim financial statements. The report of the independent auditor is set forth on page 2 to 4.

S.M. JOSHI
Chartered Accountants
Auditors
Dubai - U.A.E.

EKC International FZE

Interim statement of cash flows **For the year ended 31 March 2026**	**31.03.2026** **AED**	**31.03.2025** **AED**
Cash flows from operating activities		
Net profit before tax for the year	**495,011**	**1,873,142**
Adjustment of items not involving the movement of funds		
Depreciation on property, plant and equipment	2,910,984	2,874,246
Interest expenses	42,673	34,637
Profit on sale of vehicles	(45,000)	(11,467)
Interest income on fixed deposits	(525,061)	(679,697)
Interest income on loan to related party	(98,385)	(2,417,980)
Assets held for sale	(413,818)	-
Provision for employee terminal benefits	227,392	110,833
	2,593,796	1,783,714
Changes in:		
- Capital work in progress	(382,657)	(108,108)
- Inventories	(58,117)	3,221,596
- Trade and other receivables	(1,692,323)	11,682,962
- Other current account	(1,041,321)	(1,833,755)
- Trade and other payables	(4,688,949)	10,545,823
Employee terminal benefits paid during the year	(146,983)	(298,348)
Net cash (used in) / from operating activities	**(5,416,554)**	**24,993,884**
Cash flows from / (used in) investing activities		
Purchase of property, plant and equipment	(3,075,134)	(1,571,151)
Sale of property, plant and equipment	45,000	60,000
Investment in subsidiaries	575,100	(175,181,592)
Net movement in loan to a related parties	(1,302,850)	151,361,821
Interest income on fixed deposits	525,061	679,697
Interest income on loan to related parties	-	2,417,980
Net cash used in investing activities	**(3,232,823)**	**(22,233,245)**
Cash flows from / (used in) financing activities		
Net movement in borrowings	402,260	227,715
Interest expenses	(42,673)	(34,637)
Net cash from financing activities	**359,587**	**193,078**
Net (decrease) / increase in cash and cash equivalents	**(8,289,790)**	**2,953,717**
Cash and cash equivalents at the beginning of the year	**23,572,211**	**20,618,494**
Cash and cash equivalents at the end of the year	**15,282,421**	**23,572,211**

S.M. JOSHI Chartered Accountants Auditors Dubai - U.A.E.

EKC International FZE

Notes to the financial statements
For the year ended 31 March 2026

1 Legal Status

EKC International FZE is a Free Zone Establishment with Limited Liability registered on 17 June 2006, under trading license no. 6963 and industrial licence number 7676, with the Jebel Ali Free Zone Authority, Dubai, United Arab Emirates.

The registered office of the company is located at Plot MO0313, Jebel Ali Free Zone, Dubai, United Arab Emirates.

The company is a wholly owned subsidiary of Everest Kanto Cylinder Limited, a company registered in India.

The company has established three branches as follows:

Date of registration	Country of registration	Registration number
23.11.2012	Colombia	2276436
11.11.2013	Peru	13122061
24.05.2018	Mexico	EIF180510N54

Transactions if any for these branches are accounted in company's books of accounts.

2 Business Activity

The company is engaged in manufacturing of high pressure gas cylinders, assembling fire fighting equipments and fire extinguisher gas bottling through its 2 plants in Jebel Ali Free Zone, Dubai, United Arab Emirates.

These financial statements are the separate financial statements of the company. The consolidated financial statements of the company and its subsidiaries and associates, which are required to be presented in accordance with International Financial Reporting Standard 10: Consolidated Financial Statements, are presented separately by the ultimate parent company.

3 Basis of preparation

3.1 Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (IASB), interpretations issued by the Standing Interpretations Committee of IFRSC and the requirement of the Jebel Ali Free Zone Authority, Dubai, United Arab Emirates.

3.2 Basis of measurement

The financial statements are prepared using historical cost. Historical cost is based on the fair value of the consideration given to acquire the assets or cash or cash equivalents expected to be paid to satisfy the liability.

Fair value is the price that would be received to sell an assets or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

3.3 Going concern concept

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.

3.4 Adoption of new International Financial Reporting Standards

Standards and interpretations effective for the current period

The International Financial Reporting Standards, amendments thereto and Interpretations that became effective for the current reporting period and which are applicable to the Company are as follows:

S.M. JOSHI Chartered Accountants Auditors Dubai - U.A.E.

- Lack of Exchangeability – amendments to IAS 21 (effective date on or after 1 January 2025).

The above standard, amendments, improvements and interpretation did not have any significant impact on the disclosures or on the amounts reported in these financial statements.

New and revised IFRSs in issue but not yet effective and not early adopted
The following amendments, improvements and interpretations that are assessed by management as likely to have an impact on the condensed interim financial information, have been issued by the IASB prior to the date the condensed interim financial information was authorised for issue, but have not been applied in this condensed interim financial information as their effective dates of adoption are for future accounting periods.

- Amendments to IFRS 9 and IFRS 7: Amendments to the classification and measurement of financial instruments (effective date on or after 1 January 2026).
- Annual improvements to IFRS Accounting Standards (Volume 11): Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 (effective date on or after 1 January 2026).

The management do not expect that the adoption of the standards listed above will have a material impact on the financial statements of the company in future periods.

3.5 Functional and presentation currency
The financial statements are presented in U.A.E Dirhams ("AED") which is also the company's functional currency.

4 Principal accounting policies
The principal accounting policies adopted and which have been constantly applied are as follows:

4.1 Investment in subsidiary
Investments in a fully controlled subsidiaries are stated at cost.

4.2 Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

4.3 Depreciation
Property, plant and equipment are depreciated so as to write off the cost by equal instalments over their useful economic lives as follows:

Factory buildings	30 years
Residential apartments	60 years
Plant and machinery	25 years
Furniture and fixture	10 years
Factory equipments	15 years
Office equipments	3 - 5 years
Motor Vehicles	8 years

An assessment of depreciation method, useful lives and residual values is undertaken at each reporting date and, where material, if there is change in estimate, an appropriate adjustment is made to the depreciation charge.

4.4 Inventories
Inventory of raw materials, consumables and trading goods have been valued at lower cost and net realisable value. Cost is determined by FIFO method. Cost includes all the expenses incurred in bringing the inventory to their present location.

S.M. JOSHI Chartered Accountants Auditors Dubai U.A.E.

Inventory of work in process and finished goods have been valued at lower of cost and net realisable value. Cost is determined by FIFO method. Cost includes cost of raw material and cost of conversion. Cost of conversion includes labour costs and other fixed and variable production overheads that are directly attributable

Net realisable value is the estimate of selling price in the ordinary course of business less selling expenses. At each reporting date, inventory is assessed for impairment due to damage/obsolesce. If inventory is impaired, it is measured at its selling price less costs to complete and sell; and to recognise the impairment loss in profit or loss.

Inventory being held for 3 years or more is considered as slow moving and provided for.

4.5 Trade and other receivables

Trade receivables are stated at original invoice amount less provision for any uncollectible amounts. Bad debts are written off when there is no possibility of recovery.

4.6 Cash and cash equivalents

Cash and cash equivalents comprise bank balances and margin account.

4.7 Provision for employee terminal benefits

Provision is made for end-of-service gratuity payable to the employee at the reporting date in accordance with the U.A.E labour laws.

4.8 Trade and other payables

Liabilities are recognized for amounts to be paid for goods or services received, irrespective of whether invoiced by the supplier.

4.9 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

4.10 Revenue

The company is engaged in manufacturing of high pressure gas cylinders, assembling fire fighting equipments and fire extinguisher gas bottling through its 2 plants in Jebel Ali Free Zone, Dubai, United Arab Emirates.

Revenue from contracts with customers is recognised when the control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

Sale of goods

The company has concluded that revenue from sale of goods should be recognised at the point in time when the control of the asset is transferred to the customer, generally on delivery of the goods.

To determine whether to recognise revenue, the company follows a five-step process:

- Identifying the contract with a customer;
- Identifying the performance obligation;
- Determining the transaction price;
- Allocating the transaction price to the performance obligation; and
- Recognising revenue when or as performance obligations are satisfied

S.M. JOSHI Chartered Accountants Auditors Dubai - U.A.E.

4.11 Leases

The company leases office premises. Rental contracts are typically made for fixed periods of 1 year but may have extension options except in case of some office spaces due to the fact that the company could replace them without significant cost or business disruption. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease arrangements do not impose any covenants, however leased assets are not used as security for borrowing purposes.

Set out below are the accounting policies of the company which have been applied from the date of initial application of IFRS 16.

Short-term leases

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

4.12 Foreign currency transactions

Transactions in foreign currencies are translated to U.A.E Dirhams at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to U.A.E Dirhams at exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized in the statement of profit or loss and other comprehensive income.

4.13 Value added tax

As per the Federal Decree-Law No. (08) of 2017, Value Added Tax (VAT), will be charged at 5% standard rate or 0% (as the case may be) on every taxable supply and deemed supply made by the taxable person.

The Company charges and recovers Value Added Tax (VAT) on every taxable supply and deemed supply, in accordance with the Federal Decree-Law No. (08) of 2017. Irrecoverable VAT for which Company cannot avail the credit is charged to the relevant expenditure category or included in costs of non-current assets. The company files it VAT returns and computes the payable tax (which is output tax less input tax) for the allotted tax periods and deposits the same within the prescribed due dates of filing VAT return and tax payment. VAT receivable and VAT payable are offset and the net amount is reported in the statement of financial position as the company has a legally enforceable right to offset the recognized amounts and has the intention to settle the same on net basis.

4.14 Corporate and deferred tax

Tax expense for the year comprises of current tax and deferred tax. Current tax is measured by the amount of tax expected to be paid to the taxation authorities on the taxable profits after considering tax allowances and exemptions and using applicable tax rates and laws. Deferred tax is recognised on temporary differences between the accounting base and the tax base for the year and quantified using the tax rates and tax laws enacted or substantively enacted as on the balance sheet date.

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for non-deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in the financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

S.M. JOSHI Chartered Accountants Auditors Dubai - U.A.E.

Deferred tax asset is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax liabilities are recognised for all taxable temporary differences.

Current tax and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the asset and liability on a net basis.

4.15 Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period. or,
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The company classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period. or,
- There is no right to defer the settlement of the liability for at least twelve months after the reporting period.

The company classifies all other liabilities as non-current.

4.16 Financial instruments

Classification

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 at initial recognition depends on the financial assets contractual cash flow characteristics and the company's business model for managing them.

In order for a financial asset to be classified and measured at amortized cost or FVTOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrumental level.

The company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial liabilities are classified as financial liabilities at FVTPL or at amortized cost. The company determines the classification of its financial liabilities at initial recognition.

S.M. JOSHI Chartered Accountants Auditors Dubai - U.A.E.

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

Derecognition
Financial assets are de-recognised when, and only when,

• The contractual rights to receive cash flows expire or
• The company 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

(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-recognised 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 measured at fair value.

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 recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

The financial assets at amortized cost comprise of loan to a related party, trade and other receivables, other current assets, cash and cash equivalents and due from a related party.

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

Financial liabilities at amortized cost consists of borrowings and trade and other payables.

S.M. JOSHI Chartered Accountants Auditors Dubai - U.A.E.

Impairment of financial assets

The company recognised an allowance for expected credit losses for all debt instruments not held at fair value through profit or loss. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancement that are integral to the contractual terms.

Loss allowances are measured on either of the following basis:

- 12-month ECLs: ECLs that result from possible default events within 12 months after the reporting date; and
- Lifetime ECLs: ECLs that result from all possible default events over the expected life of a financial instrument.

The company measures loss allowance at an amount equal to lifetime ECLs, except for the following which are measured as 12-month ECLs:

- Bank balances and amount due from related parties, for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The company has elected to measure loss allowances for trade receivables and other receivable at an amount equal to lifetime ECLs. The company applies a simplified approach in calculating expected credit losses. The company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers reasonable and supportive information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward looking information.

The company assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.
The company considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realizing security (if any is held); or
- The financial asset is more than 360 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

At each reporting date, the company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

S.M. JOSHI Chartered Accountants Auditors Dubai - U.A.E.

4.17 Events after the reporting period

If the Company receives information after the reporting period, but prior to the date of authorisation for issue of the financial statements, about conditions that existed at the end of the reporting period, it assesses whether the information affects the amounts that it recognises in its financial statements. The Company adjusts the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company does not change the amounts recognised in its financial statements, but discloses the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

5 Significant judgments employed in applying accounting policies

In the process of applying the company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect in the amounts recognized in the financial statements:

Classification of financial assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them.

Impairment

At each reporting date, management conducts an assessment of property, plant, equipment and all other financial assets 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.

Leases

Determining the lease term

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

The company has the option, under some of its leases to lease the assets for additional years. The company applies judgment in evaluating whether it is reasonably certain to exercise the option to renew. The company considers all relevant factors that create an economic incentive for it to exercise the renewal.

Recognition of revenue and allocation of transaction price

Identification of performance obligations

The company determined that the sale of goods or services are provided as a single component to customers and accordingly it become single performance obligation in respect of the goods being sold.

Determine timing of satisfaction of performance obligation

The company concluded that the revenue from sale of goods is to be recognised at a point in time when the control of the goods has transferred to the customers. Payment of the transaction price is due immediately at the point the customer purchases the goods.

6 Key sources of estimation uncertainty

Key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

S.M. JOSHI Chartered Accountants Auditors Dubai U.A.E.

Carrying values of property, plant and equipment
Residual values are assumed to be zero unless a reliable estimate of the current value can be obtained for similar assets of ages and conditions that are reasonably expected to exist at the end of the assets' estimated useful lives.

Impairment of financial assets
The loss allowance for financial assets are based on assumptions about the risk of default and expected loss rates. The management uses judgment in making these assumptions and selecting the inputs to the impairment calculations based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Employee terminal benefits
The company computes the provision for the liability to employee terminal benefits stated at AED 567,015 (previous year AED 486,606), assuming that all employees were to leave as of the reporting date. The management is of the opinion that no significant difference would have arisen had the liability been calculated on an actuarial basis as salary inflation and discount rates are likely to have approximately equal and opposite effects.

Corporate tax
Significant judgments are involved in determining the provision for corporate tax, including the amount expected to be paid or recovered in connection with uncertain tax positions.

Deferred tax
Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

	Year Ended 31.03.2026 AED	Year Ended 31.03.2025 AED
7 Revenue		
Revenue from sale of goods	**61,696,771**	**75,072,493**
a. Type of Revenue		
Manufactured goods	61,663,604	73,690,290
Trading goods	33,167	1,382,203
	61,696,771	**75,072,493**
b. Product Types (Major Product Lines)		
CNG/Industrial Cylinders (Manufacturing)	61,663,604	73,690,290
Tube Trailers Skid, Stores & Consumables and Valves (Trading)	33,167	1,382,203
	61,696,771	**75,072,493**
c. Geographical Regions		
Within UAE	5,775,013	5,458,551
Outside UAE	55,921,757	69,613,942
	61,696,771	**75,072,493**

S.M. JOSHI Chartered Accountants Auditors Dubai - U.A.E.

Notes to the financial statements
For the year ended 31 March 2026

		Year Ended 31.03.2026 AED	Year Ended 31.03.2025 AED
8	**Cost of sales**		
	Opening inventories	54,388,696	57,610,287
	Purchase and direct expenses	48,422,746	56,805,999
	Less: Closing inventories	(54,446,809)	(54,388,691)
		48,364,633	**60,027,595**
	Breakdown of opening and closing inventories		
a.	Opening inventories		
	Raw materials	25,932,903	26,845,631
	Work in progress	13,889,687	12,672,776
	Finished goods	7,642,850	9,757,543
	Fuel and gas	51,265	63,478
	Stores, spares & tools	5,214,156	4,471,704
	Trading cost of sales	1,657,835	3,799,156
		54,388,696	**57,610,287**
b.	Closing inventories		
	Raw materials	21,909,654	25,932,901
	Work in progress	13,476,625	14,003,174
	Finished goods	11,788,120	7,614,447
	Fuel and gas	47,308	51,264
	Stores, spares & tools	5,711,101	5,214,156
	Trading cost of sales	1,634,863	1,693,612
	Provision for slow moving inventory	(120,863)	(120,863)
		54,446,809	**54,388,691**
9	**Other income**		
	Interest on fixed deposits	525,061	679,697
	Interest on loan to related party	98,385	2,417,980
	Creditors balance written back	1,526,627	1,540,305
	Foreign exchange gain	546,153	-
	Rental income	200,403	-
	Profit on sale of vehicles	45,000	11,467
	Insurance claim	705,785	-
	Miscellaneous income	34,426	14,786
		3,681,840	**4,664,235**
10	**Staff salaries and benefits**		
	Staff salaries, gratuity and other benefits	**2,467,820**	**2,470,111**
11	**Sales and marketing expenses**		
	Sales and marketing expenses	2,654,919	3,121,412
	Commission expenses	672,742	842,500
		3,327,661	**3,963,912**

S.M. JOSHI Chartered Accountants Auditors Dubai - U.A.E.

Notes to the financial statements
For the year ended 31 March 2026

	Year Ended 31.03.2026 AED	Year Ended 31.03.2025 AED
12 Administrative expenses		
Utilities	157,414	140,844
License and registration fees	30,461	11,200
Legal and professional fees	280,296	357,382
Travelling cost	721,600	1,431,020
Office and general expenses	246,371	678,717
Repair and maintenance	26,767	236,525
Insurance expenses	640,811	388,713
Vehicle expenses	245,125	143,008
Visa and immigration expenses	240,852	431,334
Foreign exchange loss	-	273,287
Other expenses	430,556	546,955
	3,020,253	**4,638,985**
13 Financial charges		
Bank charges	100,792	405,147
Interest expenses	42,673	34,637
	143,465	**439,784**

S.M. JOSHI Chartered Accountants Auditors Dubai - U.A.E.

Notes to the financial statements
For the year ended 31 March 2026

14 Property, plant and equipment

	Factory buildings AED	Residential apartments AED	Plant and machinery AED	Furniture and fixture AED	Office equipments AED	Motor vehicles AED	Total AED
Cost							
As at 01.04.2024	26,968,895	1,943,860	47,949,331	3,308,259	1,061,865	3,381,277	84,613,487
Addition during the year	758,157	-	139,210	148,465	80,633	444,686	1,571,151
Deletion during the year	-	-	-	-	-	(287,897)	(287,897)
As at 31.03.2025	**27,727,052**	**1,943,860**	**48,088,541**	**3,456,724**	**1,142,498**	**3,538,066**	**85,896,741**
Addition during the year	1,696,891	-	370,070	169,930	140,328	697,915	3,075,134
Deletion during the year	-	-	-	-	-	(227,000)	(227,000)
As at 31.03.2026	**29,423,943**	**1,943,860**	**48,458,611**	**3,626,654**	**1,282,826**	**4,008,981**	**88,744,875**
Depreciation							
As at 01.04.2024	12,624,750	422,184	34,514,306	1,841,505	816,139	2,068,084	52,286,968
For the year	977,024	32,436	1,143,891	276,830	104,164	339,896	2,874,241
On deletion	-	-	-	-	-	(239,364)	(239,364)
As at 31.03.2025	**13,601,774**	**454,620**	**35,658,197**	**2,118,335**	**920,303**	**2,168,616**	**54,921,845**
For the year	1,023,364	32,436	1,148,796	256,907	113,777	335,704	2,910,984
On deletion	-	-	-	-	-	(227,000)	(227,000)
As at 31.03.2026	**14,625,138**	**487,056**	**36,806,993**	**2,375,242**	**1,034,080**	**2,277,320**	**57,605,829**
W.D.V. as at 31.03.2026	**14,798,805**	**1,456,804**	**11,651,618**	**1,251,412**	**248,746**	**1,731,661**	**31,139,046**
W.D.V. as at 31.03.2025	**14,125,278**	**1,489,240**	**12,430,344**	**1,338,389**	**222,195**	**1,369,450**	**30,974,896**

Notes :
Factory buildings are constructed on leasehold land and are mortgaged against bank credit facilities.
Vehicles (cost) hypothecated against loans taken are : AED 1,305,592

S.M. JOSHI Chartered Accountants Auditors Dubai - U.A.E.

Notes to the financial statements For the year ended 31 March 2026		31.03.2026 AED	31.03.2025 AED
15	**Investment in subsidiaries (at cost)**		
a.	EKC Hungary Kft, Hungary		
i.	Investment in share capital	28,248,651	28,248,651
ii.	Other investment:		
	Conversion of loan given into investee's equity component (by reduction of investee's accumulated losses and creation of capital reserves as allowed under Hungarian Civil Code) on 20.05.2024.	49,371,842	49,371,842
		77,620,493	77,620,493
b.	CP Industries Holding Inc., USA		
i.	Investment in share capital		
	100 shares (100%) of face value USD 0.01 each in CP Industries Holding Inc., a subsidiary registered in USA	4	4
ii.	Other investment:		
	Conversion of loan given with interest receivable into investee's equity with effect from 23.09.2024 of USD 28,448,755/- (without issue of any additional shares to improve their net worth) as per CP Industries Board of Directors Resolution dated 16.09.2024)	104,406,934	104,406,934
		104,406,938	104,406,938
c.	EKC Egypt, Egypt		
i.	Investment in share capital		
	67,900 shares (97%) of face value EGP 1,000 each in EKC Egypt, a subsidiary registered in Egypt	2,275,021	2,275,021
ii.	Investment in additional share capital		
	The additional capital invested in Egypt subsidiary is awaiting allotment of shares and statutory approvals.	21,471,698	21,301,788
		23,746,719	23,576,809
d.	EKC Europe GmbH, Germany		
	25,000 shares (100%) of face value Euro 1 each	135,896	135,896
e.	EKC Europe Zrt, Hungary		
	80 shares (80%) of face value HUF 1,000,000 each	745,010	745,010
	Less: Impairment loss	(331,192)	-
	Less: Transfer to assets held for sale	(413,818)	-
		-	745,010

During the year ended 31 March 2026, management recognised an impairment loss of AED 331,192 in respect of its investment in EKC Europe Zrt, Hungary, as the recoverable amount of the investment was lower than its carrying amount. The impairment loss has been recognised in profit or loss.

		31.03.2026	31.03.2025
f.	EKC General Trading FZE, UAE		
	1 share (100%) of face value 100,000 each	100,000	100,000
	Total Investment in subsidiaries	**206,010,046**	**206,585,146**
16	**Capital work in progress**		
	Plant and machinery (others)	**490,765**	**108,108**
17	**Loan to a related party**		
	EKC Egypt, Egypt	**1,401,235**	**-**

The above loan is unsecured which is subject to rate of 6M SOFR + 4.17% per annum and repayable as per the terms of the contract.

S.M. JOSHI Chartered Accountants Auditors Dubai - U.A.E.

Notes to the financial statements
For the year ended 31 March 2026

	31.03.2026 AED	31.03.2025 AED
18 Assets held for sale		
Investment in EKC Europe Zrt, Hungary	**413,818**	-

As per the share purchase agreement dated 14 July 2025, the company has entered into the agreement for the sale of investment in EKC Europe Zrt. As at reporting date, the sale is yet to be finalized and the management expects it to completed in the next reporting period.

	31.03.2026 AED	31.03.2025 AED
19 Inventories (at FIFO method)		
Raw materials- pipes	20,572,864	24,013,810
Raw materials - valves	366,773	514,796
Raw materials - cascade	970,017	1,404,295
Work-in-process	13,476,625	14,003,174
Finished goods	11,788,120	7,614,447
Trading goods	1,634,863	1,693,612
Fuel & gas	47,308	51,264
Stores and consumables	5,711,101	5,214,156
Sub total	54,567,671	54,509,554
Provision for slow moving	(120,863)	(120,863)
Total	**54,446,808**	**54,388,691**
20 Trade and other receivables		
Trade receivables - third parties	4,786,960	3,963,891
Trade receivables - related parties	7,726,297	6,854,171
Less: Allowance for expected credit losses	-	-
	12,513,257	10,818,062
Deposits	761,966	770,821
Interest receivables	2,239	12,847
Other receivables	27,943	11,352
	13,305,405	**11,613,082**
21 Other current assets		
Prepayments	993,038	533,987
Advance to suppliers	3,021,984	2,417,232
VAT receivable (net)	277,489	299,971
	4,292,511	**3,251,190**
22 Cash and cash equivalents		
Cash in hand	188,418	216,151
Cash at bank - margin account	259,836	557,840
Cash at bank in current accounts	888,167	1,271,031
Cash at bank in term deposits	13,946,000	21,527,189
	15,282,421	**23,572,211**
23 Share capital		
Issued, subscribed and paid up:		
1 share of AED 1,000,000 (face value) each	**1,000,000**	**1,000,000**

S.M. JOSHI Chartered Accountants Auditors Dubai - U.A.E.

Notes to the financial statements
For the year ended 31 March 2026

	31.03.2026 AED	31.03.2025 AED
24 Provision for employee terminal benefits		
Balance at beginning of the year	486,606	674,121
Provision for the period	227,392	110,833
Paid during the period	(146,983)	(298,348)
Balance at the end of the period	**567,015**	**486,606**
25 Borrowings		
Vehicle loans		
Current portion (payable in 12 months)	325,642	185,556
Non current portion (payable after 12 months)	626,807	364,633
	952,449	**550,189**

Note: Vehicle loans are secured against hypothecation of vehicles.

	31.03.2026 AED	31.03.2025 AED
26 Trade and other payables		
Trade payables	4,150,458	6,428,068
Advance from customers	4,969,620	6,897,201
Provisions and accruals	721,433	1,239,536
Directors remuneration payable	110,000	110,000
Other payables	95,824	61,479
	10,047,335	**14,736,284**

27 Financial instruments

The management conducts and operates the business in a prudent manner, taking into account the significant risks to which the business is or could be exposed.

The primary risks to which the business is exposed, which are unchanged from the previous year, comprise credit risks, liquidity risks and market risks (including currency risks, cash flow interest rate risks and fair value interest rate risks).

Exposure to the aforementioned risks are detailed below:

Credit risk

Financial assets that potentially expose the company to concentrations of credit risk comprise principally loan to a related party, bank accounts, trade and other receivables and due from a related party. The company's bank accounts are placed with high credit quality financial institutions.

Currency risk

Except for the outstanding balances at the reporting date there are no significant exchange rate risk as substantially all financial assets and financial liabilities are stated either in U.A.E Dirhams or US Dollars which is pegged to the U.A.E Dirham.

Interest rate risk

The company has obtained vehicle loans from commercial bank which is subject to fixed rate of interest. Loans to a related party is subject to interest rate of 6M SOFR + 4.17% p.a. Due from and due to related party is not subject to interest.

Cash flow risk

Management continuously monitors its cash flows to determine its cash requirements in order to manage exposure to liquidity risk.

S.M. JOSHI Chartered Accountants Auditors Dubai - U.A.E

Fair values

The management assesses the fair values of all its financial assets and financial liabilities at each reporting date.

The fair values of trade and other receivables, cash and cash equivalents, due from / to a related party, loan to a related party, borrowings, trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

28 Corporate tax expense

On 9 December 2022, the UAE Ministry of Finance issued the Federal Decree-Law No. (47) of 2022 introducing Corporate Tax, effective for financial years commencing on or after 1 June 2023. The rate of Corporate Tax is 9% on the taxable income exceeding AED 375,000 and 0% for qualifying free zone companies on their qualifying income, subject to meeting specified conditions.

Current corporate tax expense are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Federal Law. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.

29 Lease contracts - (Cancellable in nature)

The company has entered into lease agreements with Jebel Ali Free Zone Authority, for two plots of land in Jebel Ali Free Zone, Dubai, U.A.E. The unexpired portion of the lease commitment as at the statement of financial position date is as under :

		31.03.2026 AED	31.03.2025 AED
i	**Plot MO 0313** - being utilised for Plant I		
	The lease is for a period 25.08.2024 to 24.08.2031.	2,762,500	3,282,097
ii	**Plot S21004** - being utilised for Plant II.		
	The lease is for the period 05.10.2025 to 04.10.2026.	-	625,440
	New lease is for the period 05.10.2025 to 04.10.2045.	30,532,154	-
	Total	**33,294,654**	**3,907,537**

Based on facts and circumstances of the cancellable leases, management is of the opinion to present these expenses as short term leases with above disclosures so as to present relevant information in a manner that faithfully represents those transactions.

30 Related party transactions

The company has, in the ordinary course of business, entered into financial transactions with concerns which fall within the definition of "related parties" as contained in IAS 24. The management believes that the terms of such transactions are not materially different from those that could have been obtained from the unrelated parties.

Related parties comprise companies under common ownership & common management control, shareholders and directors.

S.M. JOSHI Chartered Accountants Auditors Dubai - U.A.E.

As at the reporting date, balances with related parties were as follows:

		31.03.2026 AED	31.03.2025 AED
a.	**Loan to a related party**		
	EKC Egypt, Egypt	**1,401,235**	-
	(separately shown in statement of financial position)		
b.	**Due from related parties**		
	EKC Industries, UAE	-	769,083
	EKC Europe GmbH, Germany	6,176,051	6,085,088
	EKC Egypt, Egypt	1,532,447	-
	EKC General Trading FZE, UAE	13,801	57,286
	Everest Kanto Cylinder Ltd, India	3,998	-
	(Included in trade and other receivables)	**7,726,297**	**6,911,457**
c.	**Due to related parties**		
	CP Industries Holding Inc., USA	98,673	880,800
	Everest Kanto Cylinder Ltd, India	-	3,637
	(Included in trade and other payables)	**98,673**	**884,437**
d.	**Directors remuneration payable**	**110,000**	**110,000**
	(Included in trade and other payables)		

The nature of significant related party transactions and the amount involved are as follows:

		31.03.2026 AED	31.03.2025 AED
	Revenue	12,628,818	9,796,852
	Raw material purchase	155,413	71,551
	Interest income	98,385	2,417,979
	Balance written off as bad debts	1,428,587	1,076,193
	Balance written back	1,526,627	1,540,302
	Directors remuneration and benefits	2,847,197	2,372,760
	Corporate recharges	34,426	14,386
	Breakdown of related party transactions		
i	EKC Industries - Dubai Branch of Parent Company		
	Balance written off as bad debts (expense)	1,428,587	1,076,193
	Balance written back (other income)	645,827	659,502
ii	Everest Kanto Cylinder Ltd, India (Parent Company)		
	Sales of semi finished mfg (steel shell)	730,330	1,209,962
	Purchase of raw materials - cascade components	151,416	71,551
	Purchase of raw materials - R.M Pipe	10,178	
	Clearing and forwarding - Export	3,998	-
iii	CP Industries Holdings Inc., U.S.A.		
	Export sales - CNG cylinders	244,055	144,873
	Interest income on loan to related party	-	2,417,979
	Balance written back (other income)	880,800	880,800

S.M. JOSHI Chartered Accountants Auditors Dubai - U.A.E.

Notes to the financial statements For the year ended 31 March 2026	31.03.2026 AED	31.03.2025 AED
iv EKC Europe GmbH, Germany		
Sales Mfg./Trading - Export - CNG / Industrial Cylinders*	10,119,839	8,442,017

*Note: Third party sales routed through EKC Europe. Since these are not consolidated financials with 100% subsidiary company EKC Europe GmbH, these sales can be treated as direct sales of the company.

v EKC Egypt, Egypt		
Sales of semi finished mfg (steel shell)	1,532,447	-
Interest income on loan to related party	98,385	-
vi EKC General Trading FZE, UAE		
Sales trading	2,147	
Corporate recharges	34,426	14,386
vii Directors remuneration and benefits	2,847,197	2,372,760

Note:
Management is responsible for ensuring compliance with applicable laws and regulations, including transfer pricing regulations, and for the identification and disclosure of related party transactions in accordance with the applicable financial reporting framework.

The above transactions are not verified for compliance with transfer pricing or tax regulations.

31 Contingent liabilities	31.03.2026 AED	31.03.2025 AED
i Import Letters of Credit	1,495,508	3,017,200
ii Performance Guarantees	195,244	252,257

32 Comparative figures
Previous period's figures are regrouped / rearranged wherever considered necessary for suitable comparison.

33 Approval of financial statements
The financial statements were approved by the director for issue on 22 May 2026.

For EKC International FZE
For and on behalf of the board

Pushkar Kumar Khurana
Managing Director

P.O Box: 61041
JEBEL ALI
DUBAI - U.A.E.
EKC INTERNATIONAL FZE

S.M. JOSHI
Chartered Accountants
Auditors
Dubai - U.A.E.