

PDS MULTINATIONAL FZCO

**Consolidated Financial Statements
& Independent Auditor's Report**

For the Period April 01, 2025 to March 31, 2026

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PDS MULTINATIONAL FZCO

Office No. 301,302,304, Third Floor,Building 5 West A, Dubai Airport Free Zone, Dubai, United Arab Emirates

GENERAL INFORMATION

Shareholder : Multinational Textile Group Limited

License No 4617

Principal activities of the Entity:

The activity of the company are as follows:-

- (a) Clothing including sports clothes and uniforms Trading
- (b) Clothing accessories Trading
- (c) Investment in Commercial Enterprises & Management

Business Address : Office No. 301,302,304, Third Floor,Building
5 West A, Dubai Airport Free Zone, Dubai,
United Arab Emirates

Bank : Emirates NBD
HSBC Bank

Auditor : Alia Chartered Accountancy
Dubai, United Arab Emirates

PDS MULTINATIONAL FZCO

Office No. 301,302,304, Third Floor, Building 5 West A, Dubai Airport Free Zone, Dubai,
United Arab Emirates

MANAGER'S REPORT

The Manager has pleasure in presenting his report and the consolidated audited financial statements for the period ended March 31, 2026.

Principal activities of the Entity:

The activity of the company are as follows:-

- (a) Clothing including sports clothes and uniforms Trading
- (b) Clothing accessories Trading
- (c) Investment in Commercial Enterprises & Management

Financial review:

The table below summarizes the results of 2025-2026 and 2024-25

<u>Particulars</u>	<u>01.04.2025 to 31.03.2026</u>	<u>01.04.2024 to 31.03.2025</u>
Revenue	1,352,949,085	1,174,377,702
Gross Profit/(Loss) for the Period	195,799,060	237,588,636
Net Profit/(Loss) for the Period Before Tax	46,477,889	67,496,755
Net Profit/(Loss) for the Period After Tax	38,795,175	66,086,658

Role of the Manager:

The Manager is the Entity's principal decision-maker. The Manager have the overall responsibility for leading and supervising the Entity, for delivering sustainable shareholder value through his guidance and supervision of the Entity's business. The Manager sets the strategies and policies of the Entity. They monitors performance of the Entity's business, guides and supervises the management.

Events after year end:

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

Auditor:

M/s Alia Chartered Accountancy, Chartered Accountants, have showed their willingness to continue and are appointed to carry out independent audit for the year ending March 31, 2027.

Statement of Manager responsibilities:

The applicable requirements require the Manager to prepare the financial statements for each financial year, which presents fairly, in all material respects, the financial position of the Entity, and its financial performance for the period then ended.

The audited financial statements for the period under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Manager confirms that sufficient care has been taken for the maintenance of proper and adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the Entity and enables him to ensure that the financial statements comply with the requirements of applicable statute. The Manager confirms that appropriate accounting policies have been selected and applied consistently in order that the financial statements reflect fairly the form and substance of the transactions carried out during the year under review and reasonably present the Entity's financial conditions and results of its These financial statements were approved by the shareholders and signed on behalf by the authorized representative of the company.

FOR PDS MULTINATIONAL FZCO

Mr. Rahul Khettry
Authorized Signatory



INDEPENDENT AUDITOR'S REPORT

To,
The Shareholders,
PDS Multinational FZCO
Dubai, United Arab Emirates.

Report on the Audit of Consolidated Financial Statements.

Opinion

We have audited the accompanying financial statements of **PDS Multinational FZCO** Dubai, United Arab Emirates which comprise the statement of financial position as at March 31, 2026, and the statement of profit or loss and other comprehensive income, statement of changes in equity & statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

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

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 requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements 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 IFRSs, 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.



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.
- 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 Entity'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 gives a true and fair view.



We communicate with management and 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

1. We have obtained all the information and explanations which we considered necessary for our audit;
2. The financial statements comply with the applicable provisions of Dubai Integrated Economic Zones Authority Implementing Regulations 2024, concerning the formation of legal Company at Dubai Airport Free Zone;
3. The financial statements give a true and fair view of the profit or loss of the Company for the relevant period and state of the Company's affairs at the end of the financial year;
4. The Company has undertaken only activities permitted under its license;
5. Capital Adequacy is maintained during the year ended March 31, 2026.

For ALIA CHARTERED ACCOUNTANCY,
Chartered Accountants



Mrs. Alia Hasan Rustam Hussain Ahli
Reg No. 4351, United Arab Emirates
Ministry of Economy (Audit Division)
Date: May 11, 2026

PDS MULTINATIONAL FZCO

Office No. 301,302,304, Third Floor,Building 5 West A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Consolidated Statement of Financial Position as at March 31, 2026

	NOTE	01.04.2025 to 31.03.2026	01.04.2024 to 31.03.2025
Assets			
Non-Current Assets			
Property, Plant and Equipments	7	13,895,974	12,407,547
Investments	8	44,551,424	44,420,978
Right of Use Assets	9	2,445,173	1,787,521
Goodwill	10	1,366,698	1,140,934
Total Non-Current Assets	(A)	62,259,269	59,756,980
Current Assets			
Inventory	11	2,862,797	-
Advances, Deposits and Prepaid	12	29,805,221	11,468,455
Trade & Other Receivables	13	297,416,077	311,985,062
Cash and Cash Equivalents	14	43,765,437	18,918,529
Due from Related Parties	20	67,428,242	58,062,333
Total Current Assets	(B)	441,277,774	400,434,379
Total Assets	(A+B)	503,537,043	460,191,359
Equity			
Share Capital	15	42,305,000	42,305,000
Retained Earnings	16	97,204,911	80,410,361
Other Reserves		(11,013,969)	(10,642,180)
Non Controlling Interest		25,696,985	15,658,182
Total Equity	(C)	154,192,927	127,731,363
Non Current Liabilities			
Loan & Factoring	17	165,557,385	172,325,468
Lease Liabilities	18	124,562	544,135
	(D)	165,681,947	172,869,603
Current Liabilities			
Trade and Other Payables	19	132,787,179	115,619,046
Lease Liabilities	18	1,276,414	1,053,830
Due to Related Parties	20	49,598,576	42,917,517
Total Current Liabilities	(E)	183,662,169	159,590,393
Total Liabilities	(F)=(D+E)	349,344,116	332,459,996
Total Equity and Liabilities	(C+F)	503,537,043	460,191,359

The attached notes form an integral part of these accounts.

Auditors report is annexed hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR PDS MULTINATIONAL FZCO

Mr. Rahul Khettry
Authorized Signatory




PDS MULTINATIONAL FZCO

Office No. 301,302,304, Third Floor,Building 5 West A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Consolidated Statement of Comprehensive Income for the period ended March 31, 2026

	NOTE	01.04.2025 to 31.03.2026	01.04.2024 to 31.03.2025
Revenue	21	1,352,949,085	1,174,377,702
Cost of Revenue	22	(1,157,150,025)	(936,789,066)
Gross Profit/(Loss) for the Period		195,799,060	237,588,636
Other Income	23	51,441,013	13,241,997
General and Administrative Expenses	24	(186,638,992)	(173,390,407)
Finance Cost	25	(7,295,396)	(8,220,808)
Depreciation	7,9	(6,889,604)	(2,394,170)
JV Profit/ (Loss) for the Period		61,808	671,507
Profit/ (Loss) for the Period Before Tax		46,477,889	67,496,755
Corporate Tax Payable		(7,682,714)	(1,410,097)
Profit/ (Loss) for the Period After Tax		38,795,175	66,086,658
Attributable to:			
- Shareholder of the Company		22,117,459	47,083,446
- Non-controlling interest		16,677,716	19,003,212
		38,795,175	66,086,658
Other comprehensive income			
- Items that will not be reclassified subsequent to profit or loss		-	-
- Items that will be reclassified subsequent to profit or loss		-	-
Total Comprehensive income for the period		38,795,175	66,086,658
Attributable to:			
- Shareholder of the Company		22,117,459	47,083,446
- Non-controlling interest		16,677,716	19,003,212
		38,795,175	66,086,658

The attached notes form an integral part of these accounts.

Auditor's Report is attached hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR PDS MULTINATIONAL FZCO

Mr.Rahul Khettry
Authorized Signatory



PDS MULTINATIONAL FZCO

Office No. 301,302,304, Third Floor, Building 5 West A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Consolidated Statement of Changes in Equity - for the Period Ended March 31, 2026

	Attributable to the Equity Holders of the Parent					
	Share Capital	Retained Earnings	Shareholders Current Account	Other Reserves	Total	Non-Controlling Interest Total
Balance as at March 31, 2024	42,305,000	42,196,798	-	(173,375)	84,328,423	91,599,931
Additional Share Capital	-	-	-	-	-	231,870
Retained Earning for Co. Acquisition Profit/(Loss) for the Period	-	10,581,117	-	-	10,581,117	10,432,247
Net Movements During the Period	-	47,083,446	-	-	47,083,446	66,086,658
Balance as at March 31, 2025	42,305,000	80,410,361	-	(10,468,805)	(29,919,805)	(40,619,343)
Share Capital Introduced	-	-	-	(10,642,180)	112,073,181	15,658,182
Retained Earning for Co. Acquisition Profit/(Loss) for the Period	-	22,117,459	-	-	22,117,459	38,795,175
Dividend Paid During the Period	-	(4,404,004)	-	-	(4,404,004)	(4,404,004)
Net Movements During the Period	-	(918,905)	-	(371,789)	(1,290,694)	(6,638,913)
Balance as at March 31, 2026	42,305,000	97,204,911	-	(11,013,969)	128,495,942	154,192,927

The attached notes form an integral part of these accounts. Auditors report is annexed hereto.



FOR PDS MULTINATIONAL FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO

Office No. 301,302,304, Third Floor,Building 5 West A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Consolidated Cash Flow Statement for the Period ended March 31, 2026

	<u>01.04.2025 to</u> <u>31.03.2026</u>	<u>01.04.2024 to</u> <u>31.03.2025</u>
<u>Cash Flows from Operating Activities</u>		
Net Profit/ (Loss) for the period	38,795,175	66,086,658
Adjustments:		
Depreciation	5,189,484	1,192,034
Financial Charges	7,295,396	8,220,808
Loss on Sale of Fixed Assets	96,680	-
Net Cash from Operating Activities	<u>51,376,735</u>	<u>75,499,500</u>
<u>Changes in Working Capital</u>		
(Increase)/Decrease in Other Current Assets	(18,336,766)	(7,789,735)
(Increase)/Decrease in Trade & Other Receivables	14,568,985	(91,685,701)
(Increase)/Decrease in Inventory	(2,862,797)	861,805
(Increase)/Decrease in Due from Related Parties	(9,365,909)	(21,557,130)
Increase/(Decrease) in Trade and Other Payables	17,168,132	12,630,642
Increase/(Decrease) in Due to Related Parties	6,681,059	3,446,520
Net Cash Generated/(Used) in Operating Activities	<u>59,229,439</u>	<u>(28,594,099)</u>
<u>Cash Flow from Investing Activities</u>		
Purchase of Fixed Assets	(6,910,959)	(11,102,174)
Sale of Fixed Assets	136,368	-
Purchase of Investments	(130,446)	(694,619)
Right to use Assets/ Lease Liabilities	(854,640)	180,468
Investment in Goodwill	(225,764)	1,296,451
Net Cash Generated/(Used) in Investing Activities	<u>(7,985,441)</u>	<u>(10,319,874)</u>
<u>Cash Flows from Financing Activities</u>		
Share Capital Introduced	-	231,870
Finance Charges	(7,295,396)	(8,220,808)
Shareholder Current Account	(7,557,818)	(30,150,538)
Investment in NCI	-	10,432,247
Other Reserves	(371,789)	(10,468,805)
Loan from Bank	(6,768,083)	65,790,387
Dividend Paid During the Period	(4,404,004)	-
Net Cash Generated/ (Used) In Financing Activities	<u>(26,397,090)</u>	<u>27,614,353</u>
<u>Net Increase in Cash and Cash Equivalents</u>	24,846,908	(11,299,615)
Cash and Cash Equivalents Beginning of Period	<u>18,918,529</u>	<u>30,218,144</u>
Cash and Cash Equivalents End of Period	<u>43,765,437</u>	<u>18,918,529</u>
Represented by:		
Cash Balance	10,734	51,480
Bank Balance	43,754,703	18,867,049
	<u>43,765,437</u>	<u>18,918,529</u>

The attached notes form an integral part of these accounts.

Auditors report is annexed hereto.

FOR PDS MULTINATIONAL FZCO

Mr. Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO

Office No. 301,302,304, Third Floor,Building 5 West A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Consolidated Notes to the financial statements - for the period ended March 31, 2026

1 LEGAL STATUS :

PDS Multinational FZCO is incorporated on February 01, 2022 under License No.- 4617 issued by Dubai Airport Free Zone Authority, Dubai, UAE

The registered address of the company is Office No. 301,302,304, Third Floor,Building 5 West A, Dubai Airport Free Zone, Dubai, United Arab Emirates.

The company is managed and controlled by following persons:

- 1.Mr.Deepak Kumar Seth
- 2.Mr.Rahul Khettry

These consolidated financial statements include the assets, liabilities and the results of operations of PDS Multinational FZCO and its controlled subsidiaries as mentioned below.

Name of Subsidiary	Country of Incorporation	% of Holding
Twins Asia FZCO	Registered in UAE	100%
Design Arc FZCO	Registered in UAE	100%
Poeticgem International FZCO	Registered in UAE	75%
Clover Collections FZCO	Registered in UAE	75%
Collaborative Sourcing Services FZCO	Registered in UAE	75%
Kleider Sourcing FZCO	Registered in UAE	51%
PDS Brands Manufacturing FZCO	Registered in UAE	100%
PDS Sourcing FZCO	Registered in UAE	100%
PDS Logistics FZCO	Registered in UAE	51%
PDS Global Procurement FZCO	Registered in UAE	100%
DESIGN HUB SOURCING FZCO	Registered in UAE	60%
PDS Design Services FZCO	Registered in UAE	100%
PDs Lifestyle FZCO	Registered in UAE	100%
The Source Fashions FZCO	Registered in UAE	70%
Infinity Fashions FZCO	Registered in UAE	100%
Collective Near East Sourcing FZCO	Registered in UAE	100%
PDS Radius Brands FZCO	Registered in UAE	75%
Onme Soho Health & Beauty FZCO	Registered in UAE	85%
Spring Near East FZCO	Registered in UAE	85%
Simple Approach	Registered in UAE	75%
Tritorn Fashion FZCO	Registered in UAE	60%
Yellow Octopus UK	Registered in UK	50%
PG Capital FZE	Registered in UAE	100%

2 BUSINESS ACTIVITIES :

The activity of the company are as follows:-

- (a) Clothing including sports clothes and uniforms Trading
- (b) Clothing accessories Trading
- (c) Investment in Commercial Enterprises & Management

PDS MULTINATIONAL FZCO

Office No. 301,302,304, Third Floor, Building 5 West A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Consolidated Notes to the financial statements - for the period ended March 31, 2026

3 BASIS OF PREPARATION

- 3.1 The financial statements are prepared under the historical cost convention basis applied consistently. Accrual basis of accounting has been followed by the company for the financial statements except the cash flow. These financial statements are prepared on the assumption of going concern basis.

Corporate Tax :

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No.47 of 2022 on the taxation of Corporations and Business (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting years beginning on or after 1 June 2023 and accordingly, it has an income tax related impact on the financial statements for the accounting years beginning on or after June, 1, 2023.

The Cabinet of Ministry Decision No. 116/2022 effective from 2023, specifies the threshold of income over which the 9% tax rate would apply and accordingly, the Law is now considered to be substantively enacted. A rate of 9% will apply to taxable income exceeding AED 375,000, a rate of 0% will apply to taxable income not exceeding AED 375,000 and a rate of 0% on qualifying income of free zone entities.

- 3.2 The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the applicable provisions of the Dubai Integrated Economic Zones Authority (DIEZA) Implementing Regulations 2024.

4 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these financial statements require management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and accompanying disclosure at the reporting date.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

The key judgments and estimates and assumptions that have significant impact on the financial statements of the Company are as discussed below:

4.1 Satisfaction of Performance Obligation

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 of time in order to determine the appropriate method of recognizing revenue. The Company has assessed that the revenue is recognized at a point in time based on agreements entered with customers and the provisions of relevant laws and regulations.

4.2 Determination of Transaction Prices

The Company is required to determine the transaction price in respect of each of its contract with customers. In making such judgment the Company assesses the impact of any variable consideration in the contract, due to discounts, the existence of any significant financial component in the contract and any non-cash consideration in the contract.

In determining the impact of variable consideration the Company uses the "most-likely amount" method in IFRS 15 whereby the transaction price is determined by reference to the single most likely amount in the range of possible consideration amounts.

PDS MULTINATIONAL FZCO

Office No. 301,302,304, Third Floor, Building 5 West A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Consolidated Notes to the financial statements - for the period ended March 31, 2026

4.3 Transfer of Control in Contract With Customers

In the cases where the Company determines that performance obligation are satisfied at a point in time, revenue is recognized when the control over the asset that is the subject of the contract is transferred to the customer.

The Company has elected to adopt cost model / fair value model for investment properties. Accordingly investment properties are carried at cost less accumulated depreciation and any accumulated impairments / fair value in accordance with IAS 40.

4.4 Useful live of Property, Plant and Equipments

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

5 ADOPTION OF NEW AND REVISED STANDARDS (IFRSS)

The Group has adopted all International Financial Reporting Standards (IFRS), amendments and interpretations issued by the International Accounting Standards Board (IASB) that are relevant to its operations and effective for the current reporting period. The consolidated financial statements have been prepared in accordance with IFRS as issued by the IASB and the applicable regulations governing the entities comprising the Group effective for the financial year commencing on April 01, 2025.

5.1 Standards and amendments effective for the current year

The following standards and amendments apply for the first time to the financial reporting periods commencing on or after January 01, 2025.

- Non-current Liabilities with Covenants – Amendments to IAS 1
- Classification of Liabilities as Current or Non-current – Amendments to IAS 1
- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16
- Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

5.2 New and revised International Financial Reporting Standards

The following amendments, improvements and interpretations that are assessed by management as likely to have an impact on the financial statements, have been issued by the IASB prior to the date the financial statements were authorized for issue, but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

Particulars	Effective for Annual periods beginning from
Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	January 01, 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	January 01, 2026
IFRS 18 Presentation and Disclosure in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

IFRS 16- Leases

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

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Office No. 301,302,304, Third Floor, Building 5 West A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Consolidated Notes to the financial statements - for the period ended March 31, 2026

Company as a lessee

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

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful life of the right-of-use asset is 3 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

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

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

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**6.1 Revenue recognition:**

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which times all the following conditions are satisfied:

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- The Company has transferred to the buyer the significant risks and rewards of ownership of goods.
- The Company 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 Company.
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

6.2 Property plant and equipments

Property and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated using the straight-line method from the date of acquisition to the estimated useful lives of the assets.

At the end of each reporting period, management conducts an assessment of property and equipment to determine whether there are any indications that assets 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.

6.3 Investment properties

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost less any accumulated depreciation and any accumulated impairments losses / fair value in accordance with IAS 40.

The Company determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carrying amount of an investment property exceeds their recoverable amount, an impairment loss is recognized in income statement. The recoverable amount of the investment properties is the higher of investment property's net selling price and the value in use. The net selling price is the amount obtainable from the sale of an investment property in an arm's length transaction less related costs while value in use is the present value of estimated future cash flows expected to arise from the continuing use of investment property and from its disposal at the end of its useful life.

6.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization less any accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible assets with finite useful life are reviewed at least at the end of each reporting period. The amortization expense on intangible assets with finite useful lives is recognized in the income statement.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on perspective basis.

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Management has performed an annual impairment assessment for intangible assets with indefinite useful lives and concluded that no impairment was required as at the reporting date.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the income statement when the asset is derecognized.

6.5 Financial assets - classification, measurement, recognition and derecognition**Classification**

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the companies' model for managing them. Financial assets can be classified into following categories:

- those to be measured at fair value through other comprehensive income or through profit or loss, and
- those to be measured at amortized cost

Measurement

Financial assets are recognized and derecognized on trade date when the purchase and sale of a financial asset is made under a contract whose terms require delivery of financial asset within the timeframe established by market concerned.

Financial assets are initially measured at cost, plus transaction cost, except for those financial assets classified at fair value through other comprehensive income or profit or loss, which are initially measured at fair value.

Subsequent measurement of financial assets after initial measurement can be classified into two categories

a. Equity instruments

All the financial assets that are equity instruments are measured at fair value through other comprehensive income or through profit or loss. This is an irrevocable choice that the Company has made on adoption of IFRS 9 or will make on subsequent measurement of equity instrument unless equity instrument are held for trading, in which case, they must be measured at fair value through profit or loss. Dividend income for all equity instrument is recognized in profit or loss statement when the right of payment has been established.

b. Debt instrument

Debt instruments are also measured at fair value through other comprehensive income unless they are classified at amortized cost. They are classified at amortized cost only if:

- the assets held within a business model whose objective is to hold the asset to collect the contractual cash flows; and
- the contractual terms of the debt instrument give rise, on specified date, to cash flows that are solely payments of principal and interest on the principal outstanding.

Derecognition

Financial asset is derecognized when:

- The right to receive cash flow from the asset have expired; or

The Company retains the right to receive cash flow from the asset, but has assumed an obligation to pay them in full without material delay to third party under a "pass-through" arrangement, and

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- The Company has transferred its rights to receive cash flow from the asset and either:
 - has transferred substantially all the risk and rewards of the asset, or
 - has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The company recognizes all allowance for expected credit losses for all debt instrument not held at fair value through profit or loss. ECLs are based on the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an effective interest rate.

6.6 Financial liabilities - classification, measurement, recognition and derecognition

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or other financial liabilities.

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

Financial liabilities is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

6.7 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within due dates and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value.

6.8 Trade and Other Payables

These amounts represents liabilities for goods and services received by the Company in ordinary course of business which are unpaid at the year end. They are generally paid within 3 months and therefore are all classified as current.

6.9 Employee End of Service Benefits

The Company provides end-of-service benefits to its employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

6.10 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of the past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated.

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Provisions are measured at present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using the effective interest rate.

Provisions are reviewed at each financial statement date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

6.11 Foreign Currency Translation

Transaction in currencies other than the company's functional currency (Foreign Currencies) are recorded at the rates of exchange prevailing on the dates of transactions. Monetary items denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined the resultant income or gain is shown in the income statement.

6.12 Cash & Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement is cash and bank balances and short term deposits with maturity of less than three months, net of bank overdrafts.

6.13 Reporting Currency & Rounding Up

The functional currency and reporting currency is UAE Dirhams. The figures are rounded up to UAE Dirhams.

	<u>01.04.2025 to</u> <u>31.03.2026</u>	<u>01.04.2024 to</u> <u>31.03.2025</u>
7 PROPERTY, PLANT AND EQUIPMENT		
Fixed Assets (Refer Note#7, Page-24)	13,895,974	12,407,547
	<u>13,895,974</u>	<u>12,407,547</u>
8 INVESTMENTS		
Investments in Subsidiaries	44,551,424	44,420,978
	<u>44,551,424</u>	<u>44,420,978</u>
9 RIGHT OF USE ASSETS		
Opening Balance	1,787,521	2,021,028
Addition During the Period	2,357,772	968,629
Depreciation During the Period	(1,700,120)	(1,202,136)
	<u>2,445,173</u>	<u>1,787,521</u>
10 GOODWILL		
Goodwill	1,366,698	1,140,934
	<u>1,366,698</u>	<u>1,140,934</u>
11 INVENTORY		
Finished Goods Inventory	2,862,797	-
	<u>2,862,797</u>	<u>-</u>

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12 ADVANCES ,DEPOSITS & PREPAID

DAFZA Portal Balance	146,468	206,477
Prepaid Expenses	7,609,045	6,605,623
Security Deposits	11,510,611	1,391,974
Other Advances	4,827,213	3,264,381
Advance to Suppliers	3,772,351	-
Deferred Tax Asset	1,939,533	-
	<u>29,805,221</u>	<u>11,468,455</u>

13 TRADE AND OTHER RECEIVABLES

Trade Receivables	286,707,712	304,355,670
Less: Provision for Bad Debts	(333,902)	(159,923)
Other Receivables	10,863,934	7,789,315
VAT Receivable	178,333	-
	<u>297,416,077</u>	<u>311,985,062</u>

14 CASH AND CASH EQUIVALENTS

Cash Balance	10,734	51,480
Bank Balance	43,754,703	18,867,049
	<u>43,765,437</u>	<u>18,918,529</u>

15 SHARE CAPITAL

Authorized, issued and paid up capital of the Company is AED 42,305,000/- divided into 42,305 shares of AED 1,000/- each. The name of the shareholder and his contribution in the capital is as follows:

<u>Name of shareholder</u>	<u>Nationality</u>	<u>Percentage</u>	<u>No. of shares</u>	<u>Capital</u>
Multinational Textile Group Limited	Registered in Mauritius	100%	42,305	42,305,000

16 RETAINED EARNINGS

Balance at the Beginning of the Period	80,410,361	42,196,798
Profit/(Loss) for the Period After Tax	38,795,175	66,086,658
Retained Earning from Investment During the Period	(918,905)	10,581,117
Dividend Paid During the Period	(4,404,004)	(19,451,000)
NCI share	(16,677,716)	(19,003,212)
Balance at the end of the Period	<u>97,204,911</u>	<u>80,410,361</u>

17 LOAN AND FACTORING

Secured Loan	25,181,619	22,102,731
HSBC Factoring	69,553,980	92,936,755
ENBD Factoring	35,763,252	34,040,351
FAB Factoring	35,058,534	23,245,631
	<u>165,557,385</u>	<u>172,325,468</u>

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18 LEASE LIABILITY

Opening Balance	1,597,965	1,651,003
Additions	1,008,449	1,709,605
Finance Cost	138,237	81,634
Payments	(1,343,675)	(1,844,277)
Closing Balance	<u>1,400,976</u>	<u>1,597,965</u>
Current Lease Liability	1,276,414	1,053,830
Non- Current Lease Liability	124,562	544,135

19 TRADE & OTHER PAYABLES

Trade Payables	124,083,524	100,522,506
Audit Fees Payable	133,313	101,792
Other Payables	1,817,159	13,216,965
VAT Payable	-	367,686
Corporate Tax Payable	6,753,183	1,410,097
	<u>132,787,179</u>	<u>115,619,046</u>

20 RELATED PARTY DISCLOSURE

Related party represents associated companies, major shareholders, Directors and key management personnel of the company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the company's management.

Transactions with Related Parties included in the Financial statements are as follows:

Amount Due from Related Parties	As on 31.03.2026	As on 31.03.2025
Clover Collection Limited	41,831,901	14,099,356
Design Arc UK Ltd	24,220	-
Good Earth Lifestyle Limited	27,352	-
New Lobster Limited	1,715,722	2,348,635
Poeticgem Limited	7,956,547	14,826,926
Progress Manufacturing HK Ltd	52,085	19,497
Simple Approach Limited	6,163,931	7,526,189
Spring Near East Fzco	-	2,725,707
Adaptive Fashion Limited	303,150	270,722
DBS Lifestyle Limited	56,031	55,171
Kleider Sourcing Hong Kong Limited	1,975	1,975
Krayon Sourcing Limited	246,650	27,828
PDS Fashions Hong Kong Limited	44,513	192,088
PDS Multinational India HO	-	1,986,746
Poeticgem International Limited	2,495,110	11,800,700
Roksanda UK Limited	259,209	154,001
Skope Apparels FZCO	-	1,169,330
Sourcing Solution Limited	179,696	69,362
Vivere London Limited	1,340,809	788,100
Moda & Beyond Limited	553,537	-

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Nor Lanka Manufacturing Limited	60,324	-
Northern App LTD	24,293	-
OLE Fashion Limited	769	-
PDS Sourcing Limited	1,882,830	-
Poetic Brands Limited	175,298	-
Rising Asia Star Hong Kong Cp.Limited	514,850	-
Spring Design London Limited.	1,420,271	-
Sunny Up Limited	97,170	-
	67,428,242	58,062,333
Amount Due to Related Parties		
Design Arc UK Ltd	-	2,112,461
Norwest Industries Ltd.	3,917,029	1,305,286
PDS Fashion Ltd	8,622,104	6,405,312
Design Arc Asia Limited	4,706,670	2,699,323
GoodEarth Apparels Limited	2,245,182	-
Multinational Textile Group Limited	23,611,646	9,707,807
PDS Brands Manufacturing Limited	217,666	359,464
Progress Apparels (Bangladesh) Limited	3,169,702	5,944,204
Spring Near East FZCO	550,258	-
Twins Asia Limited	858,213	2,285,821
Green Smart Shirts Limited	-	10,125,485
OLE Fashion Limited	-	6,525
PDS Far East USA	17,197	33,423
PDS Trading Shanghai Co. Ltd	-	463,303
Rising Asia Star Hong Kong Cp.Limited	-	1,469,103
Twins Asia Limited	-	-
Knit Gallery India Private Limited	160,448	-
PDS Limited	686,229	-
Styleberry Limited	734,000	-
Techno Sourcing BD Limited	91,277	-
Zamira Fashion Limited	10,955	-
	49,598,576	42,917,517
21 REVENUE		
Revenue-Sales	1,315,223,163	1,146,389,359
Commission Income	37,725,922	27,988,343
	1,352,949,085	1,174,377,702
22 COST OF REVENUE		
Cost of Goods Sold	1,157,150,025	936,789,066
	1,157,150,025	936,789,066
23 OTHER INCOME		
Penalties on Supplies	(351,747)	999,167
Claim on Supplies	-	11,524,262
Forex Gain/(Loss)	(2,244,578)	(686,570)
Miscellaneous Income	147,493	1,405,138
Other Operating Income	54,011,966	-
Loss on Sale of Investments	(25,441)	-
Loss on Sale of Assets	(96,680)	-
	51,441,013	13,241,997

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24 GENERAL & ADMINISTRATIVE EXPENSES

Administration Charges	15,276,468	10,452,071
Discount on Supplies	4,413,104	6,052,795
Business Promotion Expenses	43,331,438	64,412,053
Commission Expense	7,066,472	3,032,664
Director Remuneration	2,632,308	1,981,800
Salaries and Staff Welfare Expense	87,187,915	72,437,871
Insurance Expenses	1,700,390	938,355
Legal & Professional Charges	9,498,125	5,295,965
License Expenses	301,729	380,011
Office Expenses	3,713,157	1,606,471
Rent Expenses	2,399,347	1,866,657
Repairs & Maintenance Expenses	222,316	161,919
Travelling Expenses	5,373,018	3,082,353
Selling & Distribution Expenses	3,293,817	1,478,577
Telecommunication Expenses	229,388	210,845
	186,638,992	173,390,407

25 FINANCE COST

Bank Charges & Interest	7,295,396	8,220,808
	7,295,396	8,220,808

26 RISK MANAGEMENT**26.1 Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or the counterparty to the financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk is concentrated on bank balance, trade receivables, loans & advances and deposits.

The company's bank accounts are with local branches of banks operating in the U.A.E. Trade receivables are stated at realizable value net of allowance and bad debts. Deposits with government departments are refundable and secured.

26.2 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

a. Interest rate risk

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

b. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

26.3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

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Fair values

At the balance sheet date, the fair values of financial assets and liabilities at year end approximate to their carrying amounts and have been very carefully scrutinized by the management for their correctness.

27 COMPARATIVE FIGURES

The fiscal period covers the period of 12 months from April 1, 2025 to March 31, 2026. The previous year covers the period of 12 months from April 1, 2024 to March 31, 2025. The previous year figures might be regrouped, rearranged or reclassified.

28 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and signed by the shareholder on May 11, 2026

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS MULTINATIONAL FZCO


Mr.Rahul Khettry
Authorized Signatory



PDS MULTINATIONAL FZCO

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7 PROPERTY, PLANT AND EQUIPMENT

	Office Equipment	Furniture & Fixture	IT Equipments	Motor Vehicles	Leasehold Building	Computer Software	Plant & Machinery	Total
Cost :								
As at March 31, 2024	186,058	587,625	245,097	1,222,263	252,274	674,441	-	3,167,758
Additions during the period	243,447	24,983	74,331	-	396,990	10,362,423	-	11,102,174
As at March 31, 2025	429,505	612,608	319,428	1,222,263	649,264	11,036,864	-	14,269,932
Additions during the period	72,920	390,591	121,721	208,946	406,160	5,524,595	186,026	6,910,959
Sale of Asset		(233,048)						(233,048)
As at March 31, 2026	502,425	770,151	441,149	1,431,209	1,055,424	16,561,459	186,026	20,947,843
Depreciation:								
As at March 31, 2024	61,113	88,260	106,288	138,256	56,374	220,060	-	670,351
Depreciation during the period	62,187	71,291	103,940	244,538	320,168	389,910	-	1,192,034
As at March 31, 2025	123,300	159,551	210,228	382,794	376,542	609,970	-	1,862,385
Depreciation during the period	141,536	129,636	122,528	305,870	207,798	4,241,896	40,220	5,189,484
As at March 31, 2026	264,836	289,187	332,756	688,664	584,340	4,851,866	40,220	7,051,869
Net Book Value								
As at March 31, 2026	237,589	480,964	108,393	742,545	471,084	11,709,593	145,806	13,895,974
As at March 31, 2025	306,205	453,057	109,200	839,469	272,722	10,426,894	-	12,407,547



FOR PDS MULTINATIONAL FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory