Loop Technology FZE-LLC

License No 4205304.01

PO Box No

Sharjah, United Arab Emirates

FINANCIAL STATEMENTS AND

AUDIT REPORT

FOR THE PERIOD FROM 01st January 2024 - 31st December 2024

Contents	Page No

Loop Technology FZE-LLC

Trade License Number : 4205304.01

Directors Report for the period ended 31st December 2024

The Director have the pleasure in submitting their report together with the audited financial statement of the Company for the period ended 31st December 2024. The performance of the Company for the same period is summarized below:

Financial Highlights (AED)	**2024**	**2023***
Revenue	1,298,426	2,866,806
Cost of Sales	-	-
Gross Margin	1,298,426	2,866,806
Net Profit (Loss)	433,042	2,267,701
Total Assets	2,800,742	2,917,701
Total Equity	2,750,742	2,317,701

Events after the reporting period

There are NIL events to report after the reporting period.

Manager

Shums Ibrahim Cassim served as the Manager of the group company during the period.

Auditors

The financial statements for the period 31st December 2024 have been audited by M/s. EXCEL AUDITING & ACCOUNTING , who retire and, being eligible, offer themselves for reappointment.

Management's responsibility and acknowledgement

We confirm that management of the Company is responsible for the preparation and fair presentation of these financial statements as per the relevant international standards and memorandum and articles of association of the company.

We thank our Members, sponsors, vendors and bankers for their continued support during the period. We place on record our appreciation of the contribution made by our employees and volunteers at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support. We thank the Government of UAE and Sharjah Government for their support.

For and on behalf of the Board of Directors

Shums Ibrahim Cassim
Managing Director / Owner
Loop Technology FZE-LLC
20th July 2025
Sharjah

Independent Auditor's Report

To The Properitor of Loop Technology FZE-LLC

Report on the Financial Statements

We have audited the financial statements of Loop Technology FZE-LLC (the Company), which comprise the statement of financial position as at Loop Technology FZE-LLC, the income statement, statement of changes in shareholders' funds and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31st December 2024 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 (ISA's). 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 United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstance.

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.

The Management is responsible for overseeing the Company's financial reporting process.

Auditors' responsibility 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 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Independent Auditor’s Report on the financial statements of
Loop Technology FZE-LLC as at 31st December 2024

Report on the regulatory requirements

As required by the UAE Federal Law No. (2) of 2015, we report that,

1 We have obtained all the information and explanations which are necessary for the purposes of our audit.

2 The accompanying financial statements have been prepared and comply, in all material respects, with the applicable provisions of the U.A.E Federal Law No. 2 of 2015.

3 Proper books of account have been maintained by the Company.

4 The financial information included in the Managing Director's Report which relates to the financial statements are in agreement with the Company's books of account.

5 Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Company has contravene during the year, any of the applicable provisions of the above mentioned Law or the Company's Articles of Association which may have material effect on the financial position of the Company or the result of its operations for the year.

For EXCEL AUDITING & ACCOUNTING

Abdulrahman Mohammad Ali Alkamali
License No: 641020
Entry Reg No:447
24th July 2025
Dubai, United Arab Emirates

Loop Technology FZE-LLC
Trade License Number : 4205304.01

Statement of Financial Position as on 31st December 2023

	Notes	2024 AED	2023* AED
ASSETS			
Non-current assets			
Property, plant and equipment	7	-	-
Total non-current assets		**-**	**-**
Current assets			
Inventory	8	-	-
Trade and other receivables	9	398	(206,853)
Advances , Deposits and prepayments	10	19,184	-
Cash and cash equivalents	11	2,781,160	3,124,554
Total current assets		**2,800,742**	**2,917,701**
Total assets		**2,800,742**	**2,917,701**
SHAREHOLDERS FUNDS AND LIABILITIES			
Equity			
Share capital		50,000	50,000
Statutory Reserve		25,000	25,000
Retained earnings/(loss)		2,675,742	2,242,701
Total equity		**2,750,742**	**2,317,701**
Shareholders' current account		-	-
Total shareholders funds		**2,750,742**	**2,317,701**
Non-current liabilities			
Provision for employees service benefits	12	-	-
Total non-current liabilities		**-**	**-**
Current liabilities			
Trade and other payables	14	50,000	600,000
Total current liabilities		**50,000**	**600,000**
Total liabilities		**50,000**	**600,000**
Total shareholders' fund and liabilities		**2,800,742**	**2,917,701**

**Note: The 2023 figures cover the period from 29 Nov 2022 to 31 Dec 2023 (13 months)*

The attached notes from an integral part of these financial statements

For Loop Technology FZE-LLC

Shums Ibrahim Cassim
Managing Director / Owner
Sharjah, 20th July 2025

Loop Technology FZE-LLC
Trade License Number : 4205304.01

Statement of Profit or Loss and other Comprehensive Income
for the period ended from 01st January 2024 - 31st December 2024

	Notes	2024 AED	2023* AED
Revenue	15	1,298,426	2,866,806
Cost of sales	16	-	-
Gross profit		**1,298,426**	**2,866,806**
Depreciation	17	-	-
Administration expenses	18	(900,352)	(631,485)
Profit/ (Loss) from operating activities		**398,074**	**2,235,321**
Other comprehensive income (Exchange gains)		34,968	32,379
Corporate Tax Expenses ?????		*********	
Total comprehensive income for the period		**433,042**	**2,267,701**

**Note: The 2023 figures cover the period from 29 Nov 2022 to 31 Dec 2023 (13 months)*

The attached notes from an integral part of these financial statements

For Loop Technology FZE-LLC

Shums Ibrahim Cassim
Managing Director / Owner
Sharjah, 20th July 2025

Loop Technology FZE-LLC
License No, 4205304.01, Sharjah, United Arab Emirates

Statement of Changes in Group Equity for the year ended 31st December 2024

Particulars	Share Capital	Statutory Reserve	Retained Earnings	Total equity	Share holders current account	Total shareholders fund (AED)
Balance as at 31st December 2023	**50,000**	**25,000**	**2,242,701**	**2,317,701**	**-**	**2,317,701**
Net profit/(Loss) for the year	-	-	433,042	433,042	-	433,042
Dividend Paid			-			
Yearly movements	-	-	-	-	-	-
Balance as at 31st December 2024	**50,000**	**25,000**	**2,675,742**	**2,750,742**	**-**	**2,750,742**

*Note: The 2023 figures cover the period from 29 Nov 2022 to 31 Dec 2023 (13 months)

For Loop Technology FZE-LLC

Shums Ibrahim Cassim
Managing Director / Owner
Sharjah, 20th July 2025

Loop Technology FZE-LLC
Trade License Number : 4205304.01

Statement of Group Cash flow for the period ended 31st December 2024

	2024	2023*
Cash flows from operating activities	**AED**	**AED**
Profit/ (Loss) for the period	433,042	2,267,701
Adjustment for:		
Depreciation and amortization	-	-
Provision for Gratuity	-	-
Operating cash flows before changes in working capital	**433,042**	**2,267,701**
Decrease/(Increase) in Inventory	-	-
Decrease/(Increase) in trade and other receivables	(207,252)	206,853
Decrease/(Increase) in other current assets	(19,184)	
Decrease/(Increase) in dues to related aprty	-	
Increase in trade and other payables	(550,000)	600,000
Decrease in to related party		
Cash generated from operations	**(343,394)**	**3,074,554**
Net cash generated from operating activities	**(343,394)**	**3,074,554**
Cash flow from investing activities		
Purchase of property , plant and equipment	-	-
Investments	-	-
Net cash (used in) investing activities	**-**	**-**
Cash flow from financing activities		
Increase/(decrease) in borrowings	-	
Increase/(decrease) in Share Holders Current Account	-	-
Increase / (Decrease) in Retained earnings		
Increase / (Decrease) in Share capital	-	50,000
Net cash (used in) financing activities	**-**	**50,000**
Net increase/ (decrease) in cash and cash equivalents	**(343,394)**	**3,124,554**
Cash and cash equivalents at beginning of the period	3,124,554	-
Cash and cash equivalent at the end of the period	**2,781,160**	**3,124,554**

*Note: The 2023 figures cover the period from 29 Nov 2022 to 31 Dec 2023 (13 months)

The attached notes from an integral part of these financial statements
For Loop Technology FZE-LLC

Shums Ibrahim Cassim
Managing Director / Owner
Sharjah, 20th July 2025

Note 15

1 LEGAL STATUS AND ACTIVITIES

Legal status:

Loop Technology FZE-LLC License No 4205304.01 issued by Sharjah Publishing City - Free Zone Authorityon November 21, 2022 United Arab Emirates.

All the above licenses are issued by Department of Economic Development, Dubai, United Arab Emirates.

Name of Shareholders	Nationality	Shares Value AED	Shares %
Shums Ibrahim Cassim	Saint Kitts	50,000	100%
Total		50,000	100%

Trade License Activities are as Follows :

Activities of commission agents and all other wholesalers who trade on behalf and on the account of others.

Accounting period: These financial statements relate to period from 01st January 2024 to 31st December 2024 and the comparitives represent for the period 01 January 2023 to 31st December 2023.

Management: The company is managed by the Manager Mr.Shums Ibrahim Cassim

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES

Compliance with IFRS

The financial statements of the company have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

Basis of preparation

The financial statements have been prepared on a historical cost basis, except for the following:

- available-for-sale financial assets, financial assets and liabilities (including derivative instruments) certain classes of furniture and equipment and investment property – measured at fair value;
- assets held for sale – measured at fair value less cost of disposal, and
- defined benefit pension plans – plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for assets or goods or services.

The principal significant accounting policies applied in these financial statements are set out below:

2.3 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and identified impairment loss, if any. The cost comprise of purchase price, together with any incidental expense of acquisition or construction.

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Major costs incurred in restoring furniture and equipment to their normal working condition are charged to the statement of comprehensive income during the financial period in which they are incurred.

2.4 Depreciation

The cost of property, plant and equipment are depreciated by equal annual installments over the estimated useful life of the assets.Since entity don't have any asset, depreciation is not accounted for the year.

The gain or loss on the disposal or retirement of an item of furniture and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of comprehensive income.

2.5 Impairment of non-financial assets

Assets that have an indefinite useful life - for example, goodwill - are not subject to amortization and are tested annually for impairment. Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. Impairment losses on goodwill are not reversed.

2.6 Financial instruments

Financial assets and financial liabilities are recognized on the company's balance sheet when the company becomes a party to the contractual provisions of the instrument.

2.7 Investments and other financial assets

Classification : From 1 January 2018, the company classifies its financial assets in the following measurement categories:

-those to be measured subsequently at fair value (either through OCI or through profit or loss), and

-those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The company reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and de-recognition : Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership.

Measurement : At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt Instruments: Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

(i) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

(ii) FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI.

(iii) FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL.

Equity Instruments : The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the company's right to receive payments is established.

Impairment : From 1 January 2018, the company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Classification of financial assets as available-for-sale : Investments were designated as available-for-sale financial assets if they did not have fixed maturities and fixed or determinable payments, and management intended to hold them for the medium to long-term. Financial assets that were not classified into any of the other categories (at FVPL, loans and receivables or held-to-maturity investments) were also included in the available-for sale category.

The financial assets were presented as non-current assets unless they matured, or management intended to dispose of them within 12 months of the end of the reporting period.

Impairment indicators for available-for-sale financial assets : A security was considered to be impaired if there had been a significant or prolonged decline in the fair value below its cost.

2.8 Financial Liabilities

Liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss or other liabilities, as appropriate. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

All loans and borrowings are classified as other liabilities. Initial recognition is at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method.

Financial liabilities included in trade and other payables are recognized initially at fair value and subsequently at amortized cost. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

2.9 Prepayments

Prepayments are carried at cost less any accumulated impairment losses.

2.10 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.11 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied stated net of discounts, returns etc.

Revenue from service : Revenue from service rendered is recognized in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

Revenue from the sale of goods : Revenue from sales is recognized when all the following conditions are satisfied:

(i) the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
(ii) the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
(iii) the amount of revenue can be measured reliably;
(iv) it is probable that the economic benefits associated with the transaction will flow to the company; and
(v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.12 Provisions

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13 Foreign currencies

Functional and presentation currency : The financial statements are presented in UAE Dirhams (AED), which is the company’s functional and presentation currency.

Transaction and balances : Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with in the income statement.

2.14 Propreitor capital

Shares are classified as equity when there is no obligation to transfer cash or other assets.

2.15 Employees' terminal benefits

Termination benefits are paid to employees' when employment is terminated by the company before the normal retirement date or whenever an employee accepts voluntary retirement in exchange for these benefits. Provision is made for employees' terminal benefits on the basis prescribed under the U.A.E Labour Law based on employees' salaries and number of years of service. The terminal benefits are paid to employees on termination or completion of their term of employment.

2.16 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. It can also be a present obligation arising from the past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

Contingent liabilities are not recognized but are disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognized as provision. A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. Contingent assets are not recognized but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When an inflow is virtually certain, an asset is recognized.

3. A APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

3.1 New and amended standards and interpretations IAS 8.28

The company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3.2 Amendments to IFRS 3: Definition of a Business

The amendment to IFRS 3 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the consolidated financial statements of the Group, but may impact future periods should the Group enter into any business combinations.

3.3 Amendments to IFRS 7, IFRS 9 and IAS 39 Interest Rate Benchmark Reform

The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the consolidated financial statements of the Group as it does not have any interest rate hedge relationships.

3.4 Amendments to IAS 1 and IAS 8 Definition of Material

The amendments provide a new definition of material that states, “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.” The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to the Group.

3.5 Conceptual Framework for Financial Reporting issued on 29 March 2018

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the IASB in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the Conceptual Framework. The revised Conceptual Framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. These amendments had no impact on the consolidated financial statements of the Group.

3.6 Amendments to IFRS 16 Covid-19 Related Rent Concessions

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.The amendment applies to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted. This amendment had no impact on the consolidated financial statements of the Group.

3.7 New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for annual reporting period ending on 31 December 2020 and have not been early adopted by the Company. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

4 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

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

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

4.1 Impairment of trade receivables

An estimate of the collectible amount of trade receivables are made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and an allowance applied according to the length of time past due, based on historical recovery rates. Any difference between the amounts actually collected in future periods and the amounts expected to be collected will be recognized in the statement of income.

4.2 Impairment of Tangible Assets

A decline in the value of furniture and equipment could have a significant effect on the amounts recognized in the financial statements. Management assesses the impairment of furniture and equipment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors that are considered important which could trigger an impairment review include the following:

- significant changes in the technology and regulatory environments
- evidence from internal reporting which indicates that the economic performance of the asset is, or will be, worse than expected.

4.3 Useful life of Property, plant and equipment

The Company's management determines the estimated useful lives of its furniture and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

4.4 Inventory provisions

The Company reviews the carrying amount of the inventories at the end of the reporting period and assesses the likely realization proceeds taken into account, the age of the inventory, estimated future demand for various items in the inventory, and physical damage etc. Based on the assessment, no provision is required as at the end of the reporting period.

4.5 Revenue recognition

The revenue to be recognized on a project is based on the percentage of completion method in which the cost incurred till date are compared to the total estimated cost to be incurred on the project. Considerable judgment is required in the estimation of the cost to compete and, therefore, the ultimate profitability of the projects. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and the actual results may differ from management estimates resulting in future changes in contract revenue and margin.

5 FINANCIAL RISK MANAGEMENT

Financial instrument include financial assets and financial liabilities. Financial assets of the Company include cash and cash equivalents, trade receivables, due from related party and certain other current assts. Financial liabilities of the Company include trade payable and due to related party. The Company has exposure to Credit risk, Liquidity risk and Operational risk from its use of financial instruments:

This note presents information about the Company's exposure to each of the above risks, the Company's objectives and policies and process for measuring and managing the risks.

5.1 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, related party and cash and cash equivalents.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Trade and other receivables	398
Advances , Deposits and prepayments	19,184
Cash and cash equivalents	2,781,160

Credit risk on trade receivables is negligible, as the company has a stringent selection process while dealing with a new customer. Outstanding dues from each customer are closely monitored for settlement at the agreed credit period. Deposits and prepayments are mainly as deposits with various departments of the UAE government. Company's credit risk on cash and cash equivalent is limited, as these are placed with banks in UAE having good ratings.

5.2 Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are to be settled by cash or other financial assets. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidly to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the company's reputation. The company ensures that it has sufficient working capital to meet all expected operational expenses.

5.3 Operational risk

Operational risk is the risk of direct or indirect losses arising from a wide variety of causes associated with the company's process, personnel, technology, and from external factors other than credit and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. The company manages operational risks through appropriate monitoring controls.

6 OTHER GENERAL NOTES

6.1 Comparative figures

Certain comparative figures (due from and due to related parties) have been reclassified / regrouped, wherever necessary to conform to the presentation adopted in current year's financial statements.

6.2 Contingent liabilities and commitments

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known contingent liability on company's financial statements as of reporting date.

6.3 Capital commitments

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known capital commitment on company's financial statements as of reporting date.

6.4 Legal Reserve

In accordance with Article 103 of UAE Federal Law No. (2) of 2015, 10% of the net profit for the year is to be transferred to a statutory reserve. Such transfers may be discontinued when the reserve equals 50% of the paid up share capital of the entity.

6.5 Functional and presentation currency

These financial statements are presented in United Arab Emirates Dirham (AED), which is the company's functional currency and all values are rounded to the nearest AED.

6.6 Financial Instruments

The financial instruments comprise of financial assets and financial liabilities. The fair value of the financial assets and financial liabilities is included at the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties. Financial assets of the company include bank balances, deposits and advances. Financial liabilities include trade payables, accruals and amount due to related parties. The management believes that the fair values of the financial assets and liabilities approximate to their carrying amounts.

6.7 Related Party Transactions

The company, in the ordinary course of business, enters into transactions with other business enterprises that fall within the definition of related parties as contained in International Accounting Standard 24 "Related Party Disclosures". Related parties are the entities under common ownership and/or common management control.

6.8 Approval of the financial statements

The financial statements were approved by the director and authorized for issue on 31st May 2025.

For Loop Technology FZE-LLC

Shums Ibrahim Cassim
Managing Director / Owner
Sharjah, 20th July 2025

Notes to the financial statements (Notes 1-18) for the year ended 01st January 2024 - 31st December 2024

7. Property, plant and equipment

Year 2024

Particulars	Actual Cost of the Asset as on 31st Dec 2023	Acquired / Disposal during the year	Transfer during the year	Total Cost as on 31st Dec 2024	Accumulated Depreciation 31st Dec 2023	Current Year Depreciation	Accumulated depreciation on transferred asset	Accumulated Depreciation 31st Dec 2024	Net Value AED as on 31st Dec 2024
Vehicles	-	-	-	-	-	-	-	-	-
Office improvements	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

No asset recorded under company name

Notes to the financial statements (Notes 1-18) for the year ended 01st January 2024 - 31st December 2024

	2024 AED	2023* AED
9. Trade and other receivables		
Accounts receivables	-	(206,894)
Duties and tax receivables / payables	398	40
Total	**398**	**(206,853)**

	2024 AED	2023* AED
10. Advances, Deposits and Prepayments		
Prepaid expenses	19,184	-
Total	**19,184**	**-**

	2024 AED	2023* AED
11. Cash and cash equivalent		
Cash at bank	2,781,160	3,124,554
Cash on hand	-	-
Total	**2,781,160**	**3,124,554**

	2024 AED	2023* AED
14. Trade and other payable		
Salary payables	50,000	600,000
Total	**50,000**	**600,000**

	2024 AED	2023* AED
15. Revenue		
Sales	1,298,426	2,866,806
Total	**1,298,426**	**2,866,806**

	2024 AED	2023* AED
16. Cost of sales		
Cost of material traded	-	-
Cost of goods traded	**-**	**-**

	2024 AED	2023* AED
17. Depreciation		
Depreciation	-	-
Total	**-**	**-**

Notes to the financial statements (Notes 1-18) for the year ended 01st January 2024 - 31st December 2024

	2024 AED	2023 AED
18. Administrative Expenses		
Salary and allowances	600,000	600,000
Travelling and conveyance expenses	132,228	7,277
Professional charges	111,718	6,000
Legal and license expenses	19,335	9,850
Printing and stationery expenses	17,553	4,732
Administrative expenses	9,745	-
Bank charges	5,961	1,016
Exchange Difference - Expense	1,920	-
Rent or lease expenses	1,841	2,510
Communication expenses	150	100
Other Expenses	(98)	-
	900,352	**631,485**

For Loop Technology FZE-LLC

Shums Ibrahim Cassim
Managing Director / Owner
Sharjah, 20th July 2025