

**APOLLO TECHNO INTERNATIONAL FZCO
DUBAI, U.A.E.**

**FINANCIAL STATEMENT
31 DECEMBER 2022**

**APOLLO TECHNO INTERNATIONAL FZCO
DUBAI, U.A.E.**

**FINANCIAL STATEMENT
31 DECEMBER 2022**

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APOLLO TECHNO INTERNATIONAL FZCO
DUBAI, U.A.E.

DIRECTORS' REPORT
31 DECEMBER 2022

The Directors have pleasure in submitting this report and the audited financial statement for the year ended 31, December 2022.

Principal Activities

The Company is primarily engaged in business of construction equipment & machinery spare parts trade, heavy equipment & machinery spare parts trade and construction equipment & machinery trade.

Business Operations Review

The table below summarized results of 2022 & 2021.

Particulars	2022	2021
	AED	AED
Revenue	6,675,653	10,220,655
Gross Profit	3,020,796	3,570,547
Net (Loss) / Profit	(559,107)	278,874
Gross Profit Ratio	45.25%	34.93%
Net (Loss) / Profit Ratio	-8.38%	2.73%

Shareholders and their interests

A list of shareholders and their interest in the share capital of the Entity as at 31 December, 2022 was:

Name

M/s. Technical Advice Service Support International B.V (Netherland origin)
Mr. Subhash Sadashivan Krishnan (Indian National).
Mrs. Sannidhi Subhash (Indian National).
M/s. Apollotechno Industries Private Limited (Indian origin)

Share of AED 100 each

42
21
21
16

Major banks

Emirates NBD Bank PJSC

Auditors

The auditors, M/s. Nadeem and Umendra Chartered Accountants are appointed to carry out independent audit for the year ended.



AUTHORIZED SIGNATORY

29 March 2023



Independent auditor's report

To,
Shareholders
APOLLO TECHNO INTERNATIONAL FZCO
Dubai, U.A.E
Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of **APOLLO TECHNO INTERNATIONAL FZCO**, Dubai - United Arab Emirates ("Entity") which comprise the statement of financial position as at **December 31, 2022**, and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year ended on **December 31, 2022** 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 Entity as at **December 31, 2022**, and its financial performance and its cash flows for the year ended on **December 31, 2022** in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Entity in accordance 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.

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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.



A member of



Nadeem and Umendra
Chartered Accountants

Independent auditor's report on APOLLO TECHNO INTERNATIONAL FZCO (Continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 Entity'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 Entity to cease to continue as a going concern.

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

As required by the U.A.E. Federal Law No. 32 of 2021, we further confirm that,

- 1 We have obtained all the information and explanations which we consider necessary for our audit.
- 2 The financial statements have been prepared and comply in all material respects with the applicable provisions of the U.A.E. Federal Commercial Companies Law No. 32 of 2021, and the Memorandum and Articles of Association of the Entity.
- 3 The management has compiled the financial statements on the basis of information, evidence and data that was available.
- 4 The contents of the Directors' report which relates to the financial statements are in agreement with the Entity's books of account.
- 5 The Entity has not made any investments in share and stocks during the year ended on **December 31, 2022**.
- 6 The financial statements discloses material related party transactions and the terms under which they were conducted.
- 7 Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Entity has contravened, during the financial year ended, any of the applicable provisions of the U.A.E Federal Law No. 32 of 2021, or the Memorandum and Articles of Association of the Entity, which would materially affect its activities or its financial position as of **December 31, 2022**.

Umendra Chaturvedi
Managing Partner
Regn. No. 759
Nadeem and Umendra Chartered Accountants
Dubai - United Arab Emirates



29 March , 2023

A member of

**APOLLO TECHNO INTERNATIONAL FZCO
DUBAI, U.A.E.**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

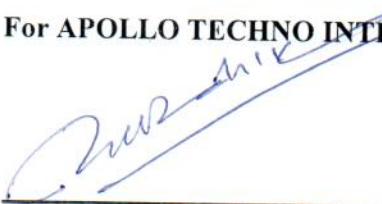
	Note	2022 AED	2021 AED
NON-CURRENT ASSETS			
Property, plant and equipments	5	<u>176,772</u>	<u>218,355</u>
CURRENT ASSETS			
Inventory	6	1,211,216	1,035,100
Accounts receivable	7	910,381	2,058,087
Advances, deposits, prepayments and other receivables	8	489,571	376,914
Cash and cash equivalents	9	429,524	709,826
Due from related party	11	-	707,140
		<u>3,040,692</u>	<u>4,887,067</u>
TOTAL ASSETS		<u><u>3,217,464</u></u>	<u><u>5,105,422</u></u>
NON - CURRENT LIABILITIES			
Vehicle loan	13	<u>9,659</u>	<u>26,987</u>
		<u>9,659</u>	<u>26,987</u>
CURRENT LIABILITIES			
Accounts payables	10	408,117	258,386
Due to related party	11	3,800,252	4,501,308
Other payables and provisions	12	753,267	1,671,968
Current portion of vehicle loan	13	17,328	9,140
		<u>4,978,964</u>	<u>6,440,802</u>
EQUITY FUNDS			
Share capital	14	10,000	10,000
Accumulated losses		(2,867,383)	(2,307,326)
Shareholders current account	15	1,086,224	934,959
		<u>(1,771,159)</u>	<u>(1,362,367)</u>
TOTAL EQUITY FUNDS AND LIABILITIES		<u><u>3,217,464</u></u>	<u><u>5,105,422</u></u>

The accounting policies and notes on page 7 to 16 form an integral part of this financial statement.

The Auditor's report is set forth on page 2 and 2A.

Approved and signed by the undersigned on 29 March 2023.

For APOLLO TECHNO INTERNATIONAL FZCO



AUTHORIZED SIGNATORY

**APOLLO TECHNO INTERNATIONAL FZCO
DUBAI, U.A.E.**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

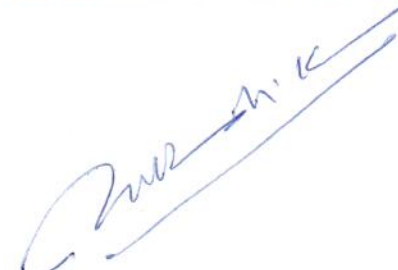
	Note	2022 AED	2021 AED
REVENUE	16	6,675,653	10,220,655
Cost of sales	17	<u>(3,654,857)</u>	<u>(6,650,108)</u>
GROSS PROFIT		3,020,796	3,570,547
Selling and distribution expenses	18	(60,071)	(256,550)
Administrative expenses	19	<u>(3,513,344)</u>	<u>(3,068,427)</u>
OPERATING (LOSS) / PROFIT		(552,619)	245,570
Finance costs	20	(13,698)	(11,088)
Other income	21	<u>7,210</u>	<u>44,392</u>
NET (LOSS) / PROFIT FOR THE YEAR		<u>(559,107)</u>	<u>278,874</u>

The accounting policies and notes on page 7 to 16 form an integral part of this financial statement.

The Auditor's report is set forth on page 2 and 2A.

Approved and signed by the undersigned on 29 March 2023.

For APOLLO TECHNO INTERNATIONAL FZCO



AUTHORIZED SIGNATORY



**APOLLO TECHNO INTERNATIONAL FZCO
DUBAI, U.A.E.**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Share capital AED	Accumulated losses AED	Shareholder's current account AED	Total AED
As at 1 January 2021	10,000	(2,586,200)	894,737	(1,681,463)
Profit for the year	-	278,874	-	278,874
Movement during the year	-	-	40,222	40,222
As on 31 December 2021	10,000	(2,307,326)	934,959	(1,362,367)
Prior adjustment		(950)		(950)
Loss for the year	-	(559,107)	-	(559,107)
Movement during the year	-	-	151,265	151,265
As at 31 December 2022	10,000	(2,867,383)	1,086,224	(1,771,159)

The accounting policies and notes on page 7 to 16 form an integral part of this financial statement.

APOLLO TECHNO INTERNATIONAL FZCO
DUBAI, U.A.E.
STATEMENT OF CASH-FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 AED	2021 AED
Cash flows from operating activities			
Net (loss) / profit for the year		(559,107)	278,874
Adjustments for:			
Prior year adjustment		(950)	
Depreciation	5	54,817	53,851
Operating cash flow before changes in net operating assets		<u>(505,240)</u>	<u>332,725</u>
(Increase) in inventory		(176,116)	(398,362)
(Increase) / decrease in account receivables		1,147,706	(456,743)
(Increase) in advance, deposits and prepayments		(112,657)	(89,777)
Decrease / (increase) in due from related party		707,140	(707,140)
Increase / (decrease) in accounts payables		149,731	(47,140)
(Decrease) / increase in other payables		(918,701)	733,222
(Decrease) / increase in due to related party		(701,056)	1,027,728
Net cash flow (used in) / from operating activities (A)		<u>(409,193)</u>	<u>394,513</u>
Cash flows from investing activities			
Purchase of property, plant and equipments		(13,234)	(20,304)
Net cash (used in) investing activities (B)		<u>(13,234)</u>	<u>(20,304)</u>
Cash flows from financing activities			
(Decrease) in borrowing		(9,140)	36,127
Movement in directors' current account		151,265	40,222
Net cash flow from financing activities (C)		<u>142,125</u>	<u>76,349</u>
Net (decrease) / increase in cash and cash equivalents (A+B+C)		<u>(280,302)</u>	<u>450,558</u>
Cash and cash equivalents at beginning of the year		709,826	259,268
Cash and cash equivalents at end of the year	9	<u><u>429,524</u></u>	<u><u>709,826</u></u>

The accounting policies and notes on page 7 to 16 form an integral part of this financial statement.



**APOLLO TECHNO INTERNATIONAL FZCO
DUBAI, U.A.E.**

**NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

1 LEGAL STATUS AND BUSINESS ACTIVITY

- a) **APOLLO TECHNO INTERNATIONAL - FZCO** (License no. 2986) was registered in Dubai on 18 January, 2013 as a Limited Liability Company. The registered address of the company is DSO-LIU-PH3-A-A-10, LIU-PH3, Dubai Silicon Oasis, Dubai, United Arab Emirates.
- b) The Company is primarily engaged in business of construction equipment & machinery spare parts trade, heavy equipment & machinery spare parts trade and construction equipment & machinery trade.
- c) The Company is controlled and managed by Mr. Subhash Sadashivan Krishnan, an Indian national.

2 SHAREHOLDING

The shareholding of the Company is as follows:

Name	Number of shares	AED
Mr. Subhash Sadashivan Krishnan (Indian National).	21	2,100
Mrs. Sannidhi Subhash (Indian National).	21	2,100
M/s. Technical Advice Service Support International B.V (Netherland origin) (Represented by Mr. Jan Jacob Van Kleunen)	42	4,200
M/s. Apollotechno Industries Private Limited (Indian origin) (Represented by Mr. Parth Patel)	16	1,600
	100	10,000

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

The company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

New and revised IFRSs

Amendments to IAS 1-Classification of Liabilities as Current or Non-Current. This is aimed at promoting reporting consistency by helping companies to determine debt and other liabilities with an uncertain settlement time period to classified as current or non-current.

January 1, 2024

Amendments to IFRS 17-The main changes are deferral of date of initial application, additional scope inclusion for credit card contracts, recognition of insurance acquisition and cash flows in respect of renewal of contracts and other relevant and contentious matters.

January 1, 2023

Amendment to IAS 1-Classification of Liabilities as Current or Non-current — Deferral of Effective Date of January 2020 amendments.

January 1, 2024

Amendments to IAS 1 and IFRS Practice Statement 2-Disclosure of Accounting Policies. The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy through the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

January 1, 2023



**APOLLO TECHNO INTERNATIONAL FZCO
DUBAI, U.A.E.**

**NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

3 Application of new and revised International Financial Reporting Standards (IFRSs) (Continued)

Amendments to IAS 12-Deferred Tax related to Assets and Liabilities arising from a Single Transaction. January 1, 2023

Amendments to IAS 8 - Definition of Accounting Estimates. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error. January 1, 2023

Amendment to IFRS 17 - Initial Application of IFRS 17 and IFRS 9 — Comparative Information. As and when applied

Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback. The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. January 1, 2024

Amendments to IAS 1- Non-current Liabilities with Covenants. The amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. January 1, 2024

Management anticipates that these new standards, interpretations and amendments will be adopted in the financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the financial statements in the period of initial application.

4 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

These financial statements are prepared in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB) and the requirements of UAE Federal Commercial Companies Law No. 2 of 2015, as amended. The management has compiled the financial statements on the basis of information, evidence and data that was available.

b) Accounting convention

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

c) Presentation currency

These financial statements have been expressed in UAE Dirham, which is the reporting currency of the company.

The figures have been rounded off to the nearest 1/- UAE Dirham.

d) Summary of Significant accounting Policies

The significant accounting policies adopted and which have been consistently applied are as follows:

i) Foreign currency transactions

Transactions in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling on the date of the transactions. However, for reporting purposes, every figure is translated in AED.

Monetary assets and liabilities expressed in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling at the statement of financial position date.

Gains or losses resulting from foreign currency transactions are taken to the statement of comprehensive income.

**APOLLO TECHNO INTERNATIONAL FZCO
DUBAI, U.A.E.**

**NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

ii) Revenue recognition

IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related interpretations when it becomes effective. The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer to promised goods and services to customers in an amount that reflects the consideration to which the entity expected to be entitled in exchange for those goods or services. Specifically, the standard introduce a 5 - steps approach to revenue recognition:

Step 1 : Identify the contract(s) with customer.

Step 2 : Identify the performance obligations in the contract.

Step 3 : Determine the transaction price.

Step 4 : Allocate the transaction price to the performance obligations in the contract.

Step 5 : Recognise revenue when (or as) the entity satisfied a performance obligation.

Under IFRS 15, an entity recognise when (or as) a performance obligation is satisfied. i.e when 'control' of the goods and services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosure are required by IFRS 15.

iii) Inventory

Inventories are measured at lower cost and net realizable value. Cost is calculated using the weighted average method and comprises all costs of purchase and where applicable, costs of conversion and other costs that have been incurred in bringing the inventories to their present location and condition.

iv) Cash and cash equivalents

Cash and cash equivalents comprise cash and balance in bank current accounts.

v) Non-Current Assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated from the date the asset is available for use until it is derecognised, using the straight-line method over the estimated useful lives of the assets as follows:

An assessment of residual values is undertaken at each statement of financial position date and, where material, if there is a change in estimate, an appropriate adjustment is made to the depreciation charge.

Depreciation is spread over its useful lives, so as to write off the cost of equipment, using the straight line method.

Assets	Estimated useful life (years)
Furniture and fixtures	20%
Computer equipment	25%
Office equipments	20%
Plant & machinery	10%
Moblie equipments	30%



**APOLLO TECHNO INTERNATIONAL FZCO
DUBAI, U.A.E.**

**NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

vi) Financial Instruments

Classification

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (“FVTOCI”) – debt investment; FVTOCI – equity investment; or fair value through profit or loss (“FVTPL”).

The classification of financial assets at initial recognition depends the financial assets’ contractual cash flow characteristics and the Company’s business model for managing them.

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

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

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

Recognition

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

Derecognition

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

- (i) The contractual rights to receive cash flows expire or
The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to
- (ii) pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either ;
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

Measurement

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

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.



APOLLO TECHNO INTERNATIONAL FZCO
DUBAI, U.A.E.

NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

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

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

- 1 The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- 2 The contractual terms of the instrument give rise to cash flows on specified dates that are solely payments of principal and profit on the principal amount outstanding.
- 3 Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
- 4 The financial assets at amortised cost comprise of trade and other receivables, due from a related party, margin deposits and cash and cash equivalents.

Financial liabilities

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

Financial liabilities at amortised cost comprise of trade and other payables, due to a related party and shareholders' current account.

vii) Provisions

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a realizable estimate of the amount of the obligation can be made.

viii) Staff terminal benefits - gratuity

Provision is made an amounts payables to employees under the U.A.E. Labour Law applicables to employees accumulated year of service at the statement of financial position dated.

ix) Value added tax (VAT)

Value added tax (VAT) is charged on supply of goods and services in the United Arab Emirates and recovered on purchases of goods and services locally purchased. Expenses and assets are recongnised net of the amount of VAT except for when it is not recoverable. The net amount of VAT recoverable from or payable to taxation authority is included as part of current asset or current liability.

x) Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

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

All other assets are classified as non-current.

APOLLO TECHNO INTERNATIONAL FZCO
DUBAI, U.A.E.

NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

5 PROPERTY, PLANT AND EQUIPMENTS

Cost	Furniture and fixtures	Computer equipment	Office equipments	Plant & machinery	Mobile equipments	Motor vehicles	Total
	AED	AED	AED	AED	AED	AED	AED
As at 1 January 2022	101,576	151,604	21,075	54,000	6,582	56,500	391,337
Additions during the year	1,380	11,854	-	-	-	-	13,234
As at 31 December 2022	102,956	163,458	21,075	54,000	6,582	56,500	404,571
Accumulated depreciation							
As at 1 January 2022	41,659	83,755	5,424	24,300	6,544	11,300	172,982
Charge for the year	10,284	24,758	3,162	8,100	38	8,475	54,817
As at 31 December 2022	51,943	108,513	8,586	32,400	6,582	19,775	227,799
As at 31 December 2022	51,013	54,945	12,489	21,600	-	36,725	176,772
As at 31 December 2021	59,917	67,849	15,651	29,700	38	45,200	218,355

6 INVENTORY

Goods held for re-sale

2022	2021
AED	AED
1,211,216	1,035,100

Physically count of the inventories has been count by the management in our absence at year end.*

APOLLO TECHNO INTERNATIONAL FZCO
DUBAI, U.A.E.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	AED	AED
7 ACCOUNTS RECEIVABLE		
Accounts receivable	<u>910,381</u>	<u>2,058,087</u>
	<u>910,381</u>	<u>2,058,087</u>
<p>All of the Company accounts receivable have been reviewed for indicators of impairment and none of the receivables were found to be impaired. (2021: nil)</p> <p>The age analysis of accounts receivable is as follows:</p>		
0 to 180 days	256,558	2,058,087
More than 180 days	653,823	-
Total	<u>910,381</u>	<u>2,058,087</u>
<p>Accounts receivable are non interest bearing. The Company's credit period is 120 days after which receivables are considered to be past due. Unimpaired accounts receivable are expected, on the basis of past experience, to be fully recoverable. Subsequent position of accounts receivables is AED 399,367/-.</p>		
8 ADVANCE, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLE		
Advance to staff	70,885	65,787
Other receivables	16,775	15,719
Deposits	120,362	120,090
Prepayments	150,102	172,458
VAT receivables	131,447	2,860
	<u>489,571</u>	<u>376,914</u>
9 CASH AND CASH EQUIVALENTS		
Cash in hand	89,669	1,831
Cash at bank	339,855	707,995
	<u>429,524</u>	<u>709,826</u>
10 ACCOUNTS PAYABLE		
Accounts payable	<u>408,117</u>	<u>258,386</u>
	<u>408,117</u>	<u>258,386</u>



APOLLO TECHNO INTERNATIONAL FZCO
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NOTES TO THE FINANCIAL STATEMENTS
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	2022	2021
	AED	AED
11 RELATED PARTIES TRANSACTIONS		
Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.		
Due to related party		
Apollo Techno Industries Private Limited	3,426,252	4,127,308
Loan from Mr. Subhash Sadashivan Krishnan	174,000	174,000
Loan from TASS	200,000	200,000
	3,800,252	4,501,308
Due from related party		
Receivable from Apollo Techno Industries Private Limited	-	707,140
	-	707,140
All the related party transactions represent transfer of resources at book values to / from other companies to facilitate day to day business operations of the Company.		
Transactions with related parties		
The nature of significant related party transactions and the amounts involved were as follows:		
	AED	
Purchase	1,747,533	
Loan from Manager	174,000	
Fund Transfer	200,000	
12 OTHER PAYABLES AND PROVISIONS		
Other payables	162,300	57,210
Provisions	584,814	1,301,954
Accrued expenses	6,153	312,804
	753,267	1,671,968
13 VEHICLE LOAN		
Vehicle loan*	26,987	36,127
Less: Current portion of vehicle loan	(17,328)	(9,140)
	9,659	26,987
This loan is secured by charged over other vehicle.*		
14 SHARE CAPITAL		
100 shares of AED 100/- each.	10,000	10,000

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	2022	2021
	AED	AED
15 SHAREHOLDER'S CURRENT ACCOUNT		
Opening balance	934,959	894,737
Movement during the year	151,265	40,222
	<u>1,086,224</u>	<u>934,959</u>
Current Account - Breakup		
Mr. Jan Jacob Van Kleunen	84,705	97,512
Mr. Subhash Sadashivan krishnan	564,906	401,652
Mrs. Sannidhi Subhash	436,612	435,795
	<u>1,086,224</u>	<u>934,959</u>
16 REVENUE	<u>6,675,653</u>	<u>10,220,655</u>
Revenue Breakup		
Revenue - Standard rated	1,386,598	
Revenue - Zero rated	5,289,055	
	<u>6,675,653</u>	
17 COST OF SALES		
Opening inventory	1,035,100	636,738
Purchases and direct expenses	3,830,973	7,048,470
Less: Closing inventory	(1,211,216)	(1,035,100)
	<u>3,654,857</u>	<u>6,650,108</u>
18 SELLING AND DISTRIBUTION EXPENSES		
Business promotion expenses	60,071	256,550
19 ADMINISTRATIVE EXPENSES		
Salaries and benefits	2,102,693	1,874,701
Legal, professional and visa charges	48,117	69,105
Rent	550,968	473,733
Communication and utilities	180,850	85,289
Depreciation (Note 5)	54,816	53,851
Traveling expenses	192,534	333,413
Printing and stationery	6,405	3,379
Repair and maintenance	-	298
Transportation expenses	37,640	-
Vehicle expense	276,951	-
Other expenses	62,370	174,658
	<u>3,513,344</u>	<u>3,068,427</u>
20 FINANCE CHARGES		
Finance charges	13,698	11,088
	<u>13,698</u>	<u>11,088</u>



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	2022	2021
	AED	AED
21 OTHER INCOME		
Exchange gain	-	518
Other income	-	-
	7,210	43,874
	7,210	44,392

22 FINANCIAL INSTRUMENTS

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

The primary risks to which the business is exposed comprise credit, currency and liquidity and cash flow interest rate risks.

Credit risk

Financial assets that potentially expose the company to concentrations of credit risk comprise principally bank balances and accounts and other receivables.

Credit risk relating to accounts receivable is managed by assessing the creditworthiness of potential customers and the potential for exposure to the market in which they operate, combined with regular monitoring and follow-up.

The company's bank accounts are placed with high credit quality financial institutions.

Currency risk

The company buys and sells goods and services on foreign currencies. Exposure is minimised where possible by denominating such transactions in US Dollars to which the UAE Dirham is fixed.

Fair value

The fair value of a financial instrument is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The fair value of the financial assets and financial liabilities which are required to be carried at cost or at amortized cost approximates to their carrying values.

23 SUBSEQUENT EVENTS

On 31 January 2022, the UAE Ministry of Finance announced the introduction of a corporate income tax (the "CIT") on business profits. Subsequently, on 9 December 2022, the UAE issued the Federal Decree-Law No. (47) of 2022 on the taxation of corporations and businesses. The Company's UAE business will be subject to CIT starting from 1 January 2024 and will apply on the adjusted accounting net profit of the business. For businesses operating in mainland UAE a 9% CIT rate will be applicable on income exceeding AED 375,000. The Company is in the process of assessing the impact of the introduction of CIT and transfer pricing based on its structure.

24 COMPARATIVE FIGURES

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

The accounting policies and notes on page 7 to 16 form an integral part of this financial statement.

