East Africa Gateway Limited

Financial Statements for FY – 2024-25

EAST AFRICA GATEWAY LTD

SEPARATE FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
FOR THE PERIOD ENDED 31 MARCH 2025

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of EAST AFRICA GATEWAY LTD

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of **EAST AFRICA GATEWAY LTD** (the "Company"), which comprise the separate statement of financial position as at 31 March 2025, and the separate statement of profit or loss and other comprehensive income, separate statement of changes in equity and separate statement of cash flows for the period then ended, and notes to the separate financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Company as at 31 March 2025, and of its financial performance and its cash flows for the period then ended in accordance with IFRS Accounting standards as issued by the International Accounting Standards Board (IASB).

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 separate 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 separate financial statements in the United Arab Emirates (UAE), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 (c) to the separate financial statements, which states that the Company incurred a loss of AED 23,857,105 for the period ended 31 March 2025 and at that date, the Company's losses aggregated to AED 23,857,105, its current liabilities exceeded its current assets by AED 4,803,622 and it had a net deficit of AED 23,707,105 in equity funds. These events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

However, the shareholders have agreed to continue with the operations of the Company and have agreed to provide continuing financial support to enable the Company to discharge its liabilities as and when they fall due. Accordingly, these separate financial statements have been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

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INDEPENDENT AUDITOR'S REPORT
(continued)

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

Management is responsible for the preparation of separate financial statements that give a true and fair view in accordance with IFRS Accounting standards as issued by the IASB, and for their compliance with the applicable provisions of the Abu Dhabi Free Zone Limited Liability Company (ADFZ) Registration Regulations 2011, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate 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 separate 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.

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INDEPENDENT AUDITOR'S REPORT
(continued)

- 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 separate 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 separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Report on Other Legal and Regulatory Requirements
We further confirm that the separate financial statements comply with the applicable provisions of Abu Dhabi Free Zone Limited Liability Company (ADFZ) Registration Regulations 2011.

For **PKF – Abu Dhabi Branch**

Lalwani

Saranga Lalwani
Partner
Registration no. 5468
Abu Dhabi
United Arab Emirates
14 April 2025

EAST AFRICA GATEWAY LTD

SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Notes	31.03.2025 (Note 17) AED
ASSETS		
Non-current assets		
Investment in subsidiary	6	146,490,923
Other non-current assets	7	36,093,634
		182,584,557
Current assets		
Other current assets	7	10,958,925
Cash and cash equivalents	8	38,448
		10,997,373
Total assets		193,581,930
EQUITY AND LIABILITIES		
Equity funds		
Share capital	9	150,000
Accumulated losses		(23,857,105)
Equity - deficit		(23,707,105)
Non-current liabilities		
Loans from shareholders	11	201,488,040
Current liabilities		
Accruals and other payables	12	15,800,995
Total liabilities		217,289,035
Total liabilities less deficit		193,581,930

The accompanying notes form an integral part of these separate financial statements.
The report of the independent auditor is set forth on pages 1 to 3.

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

Approved and authorised for issue by the directors on 24 April 2025 and signed on their behalf by Mr. Sandeep Mehta.

For **EAST AFRICA GATEWAY LTD**

Sandeep Mehta

Sandeep Mehta
Director

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EAST AFRICA GATEWAY LTD
ABU DHABI - U.A.E.

EAST AFRICA GATEWAY LTD

SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2025

	Notes	03.10.2023 to 31.03.2025 (Note 17) AED
Other operating expenses	14	(9,603,403)
Finance costs	15	(14,253,702)
LOSS FOR THE PERIOD		(23,857,105)
Other comprehensive income:		
Other comprehensive income for the period		--
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(23,857,105)

The accompanying notes form an integral part of these separate financial statements.
The report of the independent auditor is set forth on pages 1 to 3.

EAST AFRICA GATEWAY LTD

SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2025

	Share capital AED	Accumulated losses AED	Total AED
Issue of share capital	150,000	--	150,000
Total comprehensive income for the period	--	(23,857,105)	(23,857,105)
Balance at 31 March 2025	**150,000**	**(23,857,105)**	**(23,707,105)**

The accompanying notes form an integral part of these separate financial statements.
The report of the independent auditor is set forth on pages 1 to 3.

EAST AFRICA GATEWAY LTD

SEPARATE STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2025

	03.10.2023 to 31.03.2025 (Note 17) AED
Cash flows from operating activities	
Loss for the period	(23,857,105)
Adjustments for:	
Finance costs	14,253,702
	(9,603,403)
Changes in:	
– Other current and non-current assets	(47,052,559)
– Accruals and other payables	1,547,293
Net cash used in operating activities	(55,108,669)
Cash flows from investing activity	
Investment in subsidiary	(146,490,923)
Net cash used in investing activity	(146,490,923)
Cash flows from financing activities	
Issue of share capital	150,000
Receipt from loans from shareholders	201,488,040
Net cash from financing activities	201,638,040
Net increase in cash and cash equivalents	38,448
Cash and cash equivalents at beginning of period	--
Cash and cash equivalents at end of period (note 8)	38,448

The accompanying notes form an integral part of these separate financial statements.
The report of the independent auditor is set forth on pages 1 to 3.

1. **REPORTING ENTITY**

a) EAST AFRICA GATEWAY LTD (the "Company") is a limited liability company registered in Abu Dhabi, United Arab Emirates, in accordance with the provisions of Abu Dhabi Free Zone Limited Liability Company (ADFZ) Registration Regulations 2011. The registered office address is Workstation No: 434B - 437B, Building No. 280, Taweelah, Abu Dhabi, U.A.E. The Company was registered on 3 October 2023.

b) The Company's principal activities as per the trade license number ADFZ-10372 issued by Abu Dhabi Free Zone (the "ADFZ") are Infrastructure Enterprises Investment, Institution and Management.

c) These are the first set of the separate financial statements for the Company which are prepared for the period from 3 October 2023 (being the date of incorporation) to 31 March 2025.

d) The shareholders of the company are Abu Dhabi Ports Company PJSC, a public listed company incorporated in United Arab Emirates, East Harbour Terminals Limited incorporated in United Arab Emirates and Adani International Ports Holding Pte. Ltd incorporated in Singapore.

2. **BASIS OF PREPARATION**

a) **Statement of compliance**

The separate financial statements are prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) issued or adopted by the International Accounting Standards Board (IASB) and which are effective for accounting periods beginning 3 October 2023, and the requirements of Abu Dhabi Free Zone Limited Liability Company (ADFZ) Registration Regulations 2011.

These financial statements are the separate financial statements of the Company. The consolidated financial statements of the Company and its subsidiary which are required to be presented in accordance with International Financial Reporting Standard 10: 'Consolidated Financial Statements', will be presented separately later.

b) **Basis of measurement**

The separate financial statements are prepared using historical cost.

Historical cost is based on the fair value of the consideration given to acquire the asset or cash or cash equivalents expected to be paid to satisfy the liability.

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

c) **Going concern**

The separate financial statements are prepared on a going concern basis.

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

The Company incurred a loss of AED 23,857,105 for the period ended 31 March 2025 and at that date, the Company's losses aggregated to AED 23,857,105, its current liabilities exceeded its current assets by AED 4,803,622 and it had a net deficit of AED 23,707,105 in equity funds.

These events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

However, the shareholders have agreed to continue with the operations of the Company and have agreed to provide continuing financial support to enable the Company to discharge its liabilities as and when they fall due. Accordingly, these separate financial statements have been prepared on a going concern basis.

d) **Adoption of new International Financial Reporting Standards**

Standards, amendments, improvements and interpretations effective for the current year

The following amendments, improvements and interpretations which became effective for current period, did not have any significant impact on the Company's separate financial statements:

- Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangement
- Amendments to IAS 1 Presentation of Financial Statements relating to Classification of Liabilities as Current or Non-Current
- Amendments to IAS 1 – Non-current Liabilities with Covenants
- Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback
- IFRS S1 General Requirements for Disclosure of Sustainability Related Financial Information and IFRS S2 Climate Related Disclosures

New and revised IFRSs in issue but not yet effective and not early adopted

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

- Amendments to IAS 21 – Lack of Exchangeability (1 January 2025)
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture. The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold to an associate or a joint venture (The IASB postponed the effective date of this amendment indefinitely - Early adoption is permitted)

- Amendments to the SASB (Sustainability Accounting Standards Board) standards to enhance their international applicability (1 January 2025)
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7) (1 January 2026)
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) (1 January 2026)
- IFRS 18 Presentation and Disclosures in Financial Statements (1 January 2027)
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (1 January 2027)

e) **Functional and presentation currency**

The Company`s functional currency is US Dollars based on the fact that significant transactions are denominated and settled in that currency. However, the separate financial statements are presented in UAE Dirhams ("AED") being the currency of the country of domicile. Amounts in US Dollars are translated to UAE Dirhams using the exchange rate of 1 US$ = AED 3.6725.

3. **MATERIAL ACCOUNTING POLICIES**

The material accounting policies adopted are as follows:

a) **Investments in subsidiaries**

Subsidiaries are entities over which the Company exercises control. Control is achieved when the Company is exposed, or has rights, to variable return from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The investment in subsidiaries is accounted for at cost less impairment losses, if any. Consolidated financial statements of the parent and its subsidiary are presented separately.

b) **Cash and cash equivalents**

Cash and cash equivalents comprise cash and bank current accounts.

c) **Foreign currency transactions**

Transactions in foreign currencies are translated into U.A.E. Dirhams at the rate of exchange ruling on the date of the transactions.

Monetary assets and liabilities expressed in foreign currencies are translated into USD at the rate of exchange ruling at the reporting date.

Gains or losses resulting from foreign currency transactions are taken to profit or loss.

d) **Borrowing costs**

Borrowing costs are recognised as an expense in the period in which they are incurred except those that are attributable to the acquisition and construction of an asset that necessarily takes a substantial period to get ready for its intended use ("qualifying asset"). Such borrowing costs are capitalised as part of the related qualifying asset up to the date the qualifying asset is ready for use.

e) **Provisions**

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flow 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, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

f) **Contingencies and commitments**

Contingent liabilities are not recognised in the separate financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the separate financial statements but disclosed when an inflow of economic benefits is probable.

g) **Value added tax**

As per the Federal Decree-Law No. (08) of 2017, Value Added Tax (VAT), needs to be charged at 5% standard rate or 0% (as the case may be) on every taxable supply made by the taxable person. The Company does not have any taxable supplies of goods or services. As VAT registration cannot be applied by such UAE entity, the Company is not registered for UAE VAT.

h) **Income and deferred tax**

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

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

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

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

i) **Current versus non-current classification**

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

j) **Financial instruments**

Classification

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

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

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are "solely payments of principal and interest" on the principal amount outstanding. This assessment 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 fair value through profit or loss 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,

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

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

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

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. 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 fair value through other comprehensive income or at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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

Financial assets

Financial assets at amortised cost

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.

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.

All other financial assets are subsequently measured at fair value.

Foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

The financial assets at amortised cost comprise of cash and cash equivalents.

Financial liabilities

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

Financial liabilities at amortised cost

Financial liabilities at amortised cost comprise of accruals and other payables and loans from shareholders.

Impairment of financial assets

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

Loss allowances are measured on either of the following basis:

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

The Company measures the loss allowance at an amount equal to lifetime expected credit losses, except for the following which are measured as 12-month expected credit losses:

- Bank balances and other receivables for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The Company has elected to measure loss allowances for trade receivables at an amount equal to lifetime expected credit losses. The Company applies a simplified approach in calculating expected credit losses. The Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

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

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Company considers a financial asset to be in default when:

- The customer is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- The financial asset is more than 365 days past due.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company are exposed to credit risk.

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

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

Offsetting
Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Equity
Share capital is recorded at the value of proceeds received towards interest in share capital of the Company.

k) **Fair value measurement**
The Company discloses the fair value of financial instruments measured at amortised cost.

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in their best economic interests.

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

4. **JUDGMENTS EMPLOYED IN APPLYING ACCOUNTING POLICIES**
Following are the judgments made in applying accounting policies that affect the application of the Company's accounting policies and the amounts recognised in the separate financial statements:

Classification of financial assets

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

Impairment

The Company applies expected credit loss (expected credit losses) model to measure loss allowance in case of financial assets on the basis of 12-month expected credit losses or Lifetime expected credit losses depending on credit risk characteristics and how changes in economic factors affect expected credit losses, which are determined on a probability-weighted basis.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

Following are the key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Company risk management. Revisions to estimates are recognised prospectively.

Impairment of financial assets

The loss allowance for financial assets are based on assumptions about the risk of default and expected loss rates. The management uses judgement in making these assumptions and selecting the inputs to the impairment calculations based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs are disclosed in note 3(i).

Income tax

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

Deferred tax

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

		31.03.2025
		AED
6.	**INVESTMENT IN SUBSIDIARY**	
	Interest in share capital at cost in	
	Tanzania East Africa Gateway Terminal Limited	146,490,923

The nature of investments in subsidiary held by the Company is as follows:

Name of subsidiary	Principal activities	Country of incorporation	Registered proportion (%) of ownership interest
			31.03.2025
Tanzania East Africa Gateway Terminal Limited	Container handling services and Inland Container Depot	Tanzania	95%

		31.03.2025
		AED
7.	**OTHER NON-CURRENT ASSETS**	
	Advance for service	47,052,559
	Disclosed as:	
	Non-current assets	36,093,634
	Current assets	10,958,925
		47,052,559

8.	**CASH AND CASH EQUIVALENTS**	
	Bank balances in current accounts	38,448
		38,448

a) Balances with banks are assessed to have low credit risk of default since the bank is highly regulated by the central bank of UAE. Accordingly, management of the Company estimates the loss allowance on balances with bank at the end of the reporting year at an amount equal to 12-month ECL. None of the balances with bank at the end of the reporting year are past due and taking into account the historical default experience and the current credit ratings of the bank, the management of the Company have assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

	2025
	AED

9. SHARE CAPITAL

Issued and paid up:	
150 shares of AED 1,000 each	150,000

The shareholders at 31 March 2025 and their interests as at that date in the share capital of the Company were as follows:

	No. of shares	AED
East Harbour Terminals Limited	60	60,000
Adani International Ports Holdings Pte. Ltd	45	45,000
Abu Dhabi Ports Company PJSC	45	45,000
	150	**150,000**

10. RELATED PARTIES

The Company enters into transactions with entities that fall within the definition of a related party as contained in International Accounting Standard 24. The management considers such transactions to be in the normal course of business and are at prices determined by the management.

Related parties comprise of the shareholders, directors and companies under common management control.

At the reporting date significant balances with shareholders were as follows:

Shareholders	
Loans from shareholders	201,488,040
Accruals and other payables	15,757,495
Companies under common management control	
Advance for service	47,052,559

All balances are unsecured and are expected to be settled in cash. Repayment and other terms are set out in notes 11 and 16.

Significant transactions with related parties during the period were as follows:

Shareholders	
Finance costs on loans from shareholders	14,253,702
Professional and consulting fees	1,503,793
Companies under common management control	
Professional and consulting fees	7,742,066

The Company also provide funds to/receive funds from related parties as working capital facilities at floating rate of interest.

Administrative and staff related services are availed from shareholders and the cost for the same is borne by the shareholders.

		2025
		AED
11.	**LOANS FROM SHAREHOLDERS**	
	Adani International Ports Holdings Pte. Ltd[a]	101,471,175
	Abu Dhabi Ports Company PJSC[b]	100,016,865
		201,488,040

a) The Company received loans from shareholders for acquisition of equity interest in Tanzania East Africa Gateway Terminal Limited and for the operational requirements. These loans are unsecured, bearing interest rate of SOFR plus a margin of 4.25%, and are repayable on the final maturity date of 31 December 2029. These loans are classified as long-term liabilities in the Company's separate financial statements.

12.	**ACCRUALS AND OTHER PAYABLES**	
	Accrued interest on loans from shareholders	14,253,702
	Accruals for expenses	43,500
	Other payables	1,503,793
		15,800,995

13. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to ensure that the Company continues as a going concern and to provide the shareholders with a rate of return on their investment commensurate with the level of risk assumed.

Capital comprises equity funds as presented in the statement of financial position together with loans from shareholders. Debt comprises total amounts owing to third parties net of cash and cash equivalents.

The Company is not subject to externally imposed capital requirements.

Funds generated from internal accruals together with funds received from related parties are retained in the business according to the business requirements and maintain capital at desired levels.

		03.10.2023 to 31.03.2025 (Note 17) AED
14.	**OTHER OPERATING EXPENSES**	
	Professional and consulting fees	9,289,359
	Foreign exchange losses (net)	293,467
	Membership and subscription fees	14,550
	Other expenses	6,027
		9,603,403
15.	**FINANCE COSTS**	
	On loans from shareholders	14,253,702

16. **FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

Financial instruments

Classification and fair values

The net carrying amounts as at the reporting date of financial assets and financial liabilities are as follows:

	At amortised cost 2025 AED
Financial assets	
Cash and cash equivalents	38,448
	38,448
Financial liabilities	
Accruals and other payables	15,800,995
Loans from shareholders	201,488,040
	217,289,035

Fair value measurement and disclosures

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

The fair values of cash and cash equivalents and accruals and other payables approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to determine the fair values of other financial assets/liabilities:

Fair values of non-current loans from shareholders is estimated by discounting future cash flows using rates currently available for debts on similar items, credit risk and remaining maturities. As at the reporting date, the carrying amounts of such liabilities, are not materially different from their fair values.

Financial risk management

Risk management objectives

Risk is inherent in the Company's activities but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability. The Company's risk management focuses on actively securing short to medium term cash flows by minimizing the exposure to financial markets.

The Company does not actively engage in trading of financial assets for speculative purpose.

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 risks, liquidity risks and market risks (including currency risks, cash flow interest rate risks and fair value interest rate risks).

The management of the Company reviews and agrees policies for managing each of these risks which are summarised below:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Credit risk 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.

Financial assets that potentially expose the Company to concentrations of credit risk comprise principally bank accounts.

The Company's bank accounts are placed with high credit quality financial institutions and hence have low credit risk.

At the reporting date, there are no trade receivables.

Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and financial liabilities.

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. The Company manages liquidity risk by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company limits its liquidity risk by ensuring adequate facilities from shareholders is available.

The table below summarises the maturities of the Company's undiscounted financial liabilities at the reporting date, based on contractual payment dates and current market interest rates.

	Less than one year 31.03.2025 AED	More than one year 31.03.2025 AED	Total 31.03.2025 AED
Loans from shareholders	--	201,488,040	201,488,040
Accruals and other payables	15,800,995	--	15,800,995
	15,800,995	201,488,040	217,289,035

Market risk

Market risk is the risk that the changes in market prices, such as foreign currency exchange rates, interest rates and prices, will affect the Company's income or the value of its holdings of financial instrument. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the returns.

Currency risk

Currency risk is the risk that the values of financial instruments will fluctuate because of changes in foreign exchange rates.

There are no significant currency risks as substantially all financial assets and financial liabilities are denominated in UAE Dirhams or US Dollars to which the UAE Dirham is pegged.

There are no significant currency risks as substantially all financial assets and financial liabilities are denominated in UAE Dirhams or US Dollars to which the Dirham is fixed.

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate because of changes in market interest rates.

Loans from shareholders are subject to floating interest rates at levels generally obtained in the UAE or are linked to SOFR and are therefore exposed to cash flow interest rate risk.

At the reporting date, if interest rates had been 1% higher or lower, interest expense on variable rate debt would have been AED 2,014,880 higher or lower resulting in equity being lower or higher by AED 2,014,880.

17. COMPARATIVE INFORMATION

These are the first set of the separate financial statements for the Company since the date of its incorporation, i.e. 3 October 2023 [note 1 (c)] and hence, no comparative information is presented.

18. 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 Businesses (the 'CT Law') to enact a Federal corporate tax ('CT') regime in the UAE. The CT Law is effective for the financial years beginning on or after 1 June 2023. Decision No. 116 of 2022 specifies the threshold of income (as AED 375,000) over which a corporate tax of 9% would apply and accordingly, the CT Law is now considered to be substantively enacted.

As the Company's accounting period begins on 3 October 2023, the first tax period is from 1 April 2024 to 31 March 2025, with the corresponding tax return to be filed on or before 31 December 2025. In accordance with the CT Law, a free zone entity is eligible for a 0% corporate tax rate on its "Qualifying Income," provided it meets specific conditions.

The Company has determined that its income qualifies as "Qualifying Income" since it is registered in the Abu Dhabi Free Zone, a designated free zone, and derives its income from the qualifying activities of holding of shares and other securities.

Accordingly, the Company has applied the 0% corporate tax rate to its qualifying income, resulting in no tax expenses/deferred tax assets for the period ended 31 March 2025.

For **EAST AFRICA GATEWAY LTD**

ايست افريكا جيت واي ليمتد
EAST AFRICA GATEWAY LTD
ABU DHABI - U.A.E.

Sandeep Mehta

Sandeep Mehta
Director