

MUKTA A2 MULTIPLEX W.L.L.
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2026

MUKTA A2 MULTIPLEX W.L.L.**REPORT AND FINANCIAL STATEMENTS**

31 March 2026

CONTENTS	PAGE
Corporate profile	1
Report of the Board of Directors	2
Independent auditors' report	3-5
Statement of financial position	6
Statement of profit or loss and other comprehensive income	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10-27

MUKTA A2 MULTIPLEX W.L.L.**CORPORATE PROFILE**

Commercial Registration Number	:	99524 - 01 to 06
Shareholders	:	Mukta Arts Limited A.A. Films Private Limited
Board of Directors	:	Parvez Akhtar Farooqui Rahul Puri Anil Kundan Thadani
Registered Office	:	Flat No. 423 - Building No. 1013 Road No. 2417 - Block No. 324 Manama Kingdom of Bahrain
Principal Bankers	:	State Bank of India Khaleeji Commercial Bank ICICI Bank
Independent Auditors	:	Moore Stephens Public Accountants and Consultants P.O. Box 10519 5th Floor, Office 53 Zamil Tower, Manama Gate Manama, Kingdom of Bahrain

MUKTA A2 MULTIPLEX W.L.L
CR NO. 99524

423, JUFFAIR MALL, BUILDING NO. 1013, ROAD NO, 2417, BLOCK 324,
JUFFAIR, P.O. BOX 3194, MANAMA, KINGDOM OF BAHRAIN
TEL : 973 - 1781 3222 | 1781 3666

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors presents their report and audited financial statements of the Company for the year ended 31 March 2026.

Incorporation

Mukta A2 Multiplex W.L.L., (the "Company") is incorporated in the Kingdom of Bahrain as a With Limited Liability Company with the Ministry of Industry & Commerce under the commercial registration number 99524 - 01 obtained on 17 May 2016. The Company has 5 more branches under the commercial registration numbers 99524 - 02, 03, 04 and 05 obtained on 01 September 2016 and 99524 - 06 obtained on 05 September 2016. Its registered office is Flat No. 423, Building No. 1013, Road No. 2417, Block No. 324, Manama, Kingdom of Bahrain.

Principal activities

The Company is engaged in the business of motion picture projection activities and food and beverage service activities.

Review of current position, future developments and significant risks

The Company's development to date, financial performance and position are as presented in the financial statements.

The most significant risks faced by the Company and the steps taken to manage these risks, are described in note No.6 of the financial statements.

Financial performance

The Company's financial performance for the year is set out on page 7.

Share capital

Pursuant to the amendment made to the Memorandum of Association dated 10 September 2025, the share capital of the Company has been increased to BHD. 650,000/-. The revised capital structure of the Company is as follows;

<u>Shareholders</u>	<u>No. of shares</u>	<u>% of holding</u>	<u>BHD</u>
Mukta Arts Limited	3,900	60%	390,000
A.A. Films Private Limited	2,600	40%	260,000
	<u>6,500</u>	<u>100%</u>	<u>650,000</u>

The share capital of the Company consists of 6,500 shares of BHD 100/- each.

Events after reporting period

There were no material events after the reporting period, which have a bearing on the understanding of the financial statements.

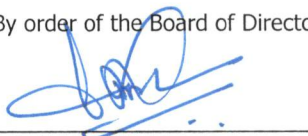
Board of Directors

The members of the Board of Directors as at 31 March 2026 and the Company profile are presented on page 1. As per the resolution passed at the general meeting of the Board of Directors held on 25 November 2025, it was resolved to remove one of the directors, Akshay Vashdev Bajaj, from the Board of Directors of the Company. The same was reflected in the records of the Ministry of Industry and Commerce on 10 February 2026. There were no significant changes in the assignment of responsibilities of the Board of Directors.

Independent Auditors

The independent auditors, Moore Stephens, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,



Francy George
(Authorised Signatory)

Manama,
Kingdom of Bahrain, 12 May 2026



INDEPENDENT AUDITORS' REPORT

To the Shareholders of Mukta A2 Multiplex W.L.L.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Mukta A2 Multiplex W.L.L.** ("the Company"), which comprise the statement of financial position as at 31 March 2026 and the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies set out on pages 6 to 27.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2026 and its financial performance, changes in equity and its cash flows for the year then ended 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 Company in accordance with 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 Kingdom of Bahrain, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note no. 3 to the notes to the financial statements which indicates that during the year ended 31 March 2026, the Company has incurred a loss of BHD. 39,959/- (31 March 2025 BHD. 82,489/-) and the accumulated losses as on that date was BHD. 1,798,986/- (31 March 2025: BHD. 1,759,027/-). Accordingly, as on the date of statement of financial position there is a deficit of BHD. 1,146,843/- (31 March 2025: BHD. 1,206,884/-) in the shareholders' equity. Further, as on 31 March 2026 the Company's current liabilities exceeded its current assets by BHD. 387,090/- (31 March 2025: BHD. 442,201/-). However, the shareholders have confirmed their willingness to continue to provide adequate financial support to the Company, whenever considered necessary to meet its liabilities as and when they fall due. Our opinion is not modified in respect of this matter.

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 the requirements of the Bahrain Commercial Companies Law of 2001 (as amended), 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.

(continued to page 4)

INDEPENDENT AUDITORS' REPORT (continued...)

To the Shareholders of Mukta A2 Multiplex W.L.L.

Responsibilities of Management and Those Charged with Governance for the Financial Statements (continued...)

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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.

INDEPENDENT AUDITORS' REPORT (continued...)

To the Shareholders of Mukta A2 Multiplex W.L.L.

Auditor's Responsibilities for the Audit of the Financial Statements (continued...)

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 Requirements

In accordance with the requirements of the Bahrain Commercial Companies Law of 2001 (as amended), we report that,

- 1) Proper books of account have been kept by the Company and the financial statements are in agreement therewith.
- 2) We have obtained all the information and explanations we considered necessary for the purposes of our audit and we are not aware of any violations of the Bahrain Commercial Companies Law of 2001 (as amended), that might have had a material adverse effect on the business of the Company or on its financial position except that, the equity of the Company shows a deficit of BHD. 1,146,843/- (31 March 2025 BHD. 1,206,884/-) on account of accumulated losses amounting to BHD. 1,798,986/- (31 March 2025: BHD. 1,759,027/-). Accordingly, in order to maintain the share capital and statutory reserve, the shareholders need to inject an amount of BHD. 1,798,986/- into the company.
- 3) The information given in the report of the Board of Directors on page 2 is consistent with the financial statements.

Report on Anti-Money Laundering Compliance

To the best of our knowledge, information and explanations provided to us, we report that;

- 1) The Company maintains proper internal control systems and procedures sufficient for monitoring and reporting suspicious or extraordinary transactions.
- 2) The Company holds sufficient measures and internal control systems and procedures relevant to verifying the identity of its customers.
- 3) The Company has not identified any suspicious transactions during the year ended 31 March 2026.
- 4) The Company has no relationship of any kind with any individuals or organisations listed in the United Nations Security Council Resolution or Domestic list.
- 5) As at the financial year ended 31 March 2026, we are not aware of any violations to the Ministerial order (103) of 2021 regarding the concerning obligations related to the procedures of the prohibition of and combating money laundering and terrorism finance in the business of the persons registered in the commercial register and the audit registry in the Kingdom of Bahrain.



Partner Registration No. 54
Manama, Kingdom of Bahrain,
12 May 2026



MUKTA A2 MULTIPLEX W.L.L.
**STATEMENT OF FINANCIAL POSITION AS AT
31 March 2026**

	Note	31/3/2026 BHD	31/3/2025 BHD
ASSETS			
Non-current assets			
Right-of-use asset	7	455,124	501,801
Property, plant and equipment	8	159,938	189,824
		<u>615,062</u>	<u>691,625</u>
Current assets			
Inventories	9	10,796	12,223
Accounts and other receivable	11	73,642	125,713
Cash and bank balances	12	19,444	16,603
		<u>103,882</u>	<u>154,539</u>
Total assets		<u>718,944</u>	<u>846,164</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	13	650,000	550,000
Statutory reserve	14	2,143	2,143
(Accumulated losses)		<u>(1,798,986)</u>	<u>(1,759,027)</u>
		<u>(1,146,843)</u>	<u>(1,206,884)</u>
Non - current liabilities			
Employees' leaving indemnity	15	30,038	38,495
Due to related party	17.2	182,678	197,582
Loan from related party	17.3	735,782	755,782
Lease liability - non current portion	18	426,317	464,449
		<u>1,374,815</u>	<u>1,456,308</u>
Current liabilities			
Accounts and other payable	16	435,912	558,345
Lease liability - current portion	18	55,060	38,395
		<u>490,972</u>	<u>596,740</u>
Total equity and liabilities		<u>718,944</u>	<u>846,164</u>

On 12 May 2026, the Board of Directors of **Mukta A2 Multiplex W.L.L.** approved these financial statements.


Francy George
(Authorised Signatory)



The notes on pages 10 to 27 form an integral part of these financial statements.

MUKTA A2 MULTIPLEX W.L.L.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 March 2026

	Note	31/3/2026 BHD	31/3/2025 BHD
Income			
Revenue from contracts with customers	19	643,613	939,605
Cost of operations	20	(368,080)	(685,949)
Gross profit		275,533	253,656
Other income	21	123,390	143,384
		398,923	397,040
Expenses			
Directors' salary and allowances	17.1	(26,250)	(37,500)
General and administration expenses	22	(310,409)	(323,510)
Impairment loss on receivable		-	(19,047)
Business promotion expenses		(19,986)	(24,320)
Finance charges	23	(45,097)	(44,193)
Depreciation on property, plant and equipment	8	(37,140)	(30,959)
		(438,882)	(479,529)
(Loss) for the year		(39,959)	(82,489)
Other comprehensive income		-	-
Total comprehensive (loss) for the year		(39,959)	(82,489)



Francy George
(Authorised Signatory)



MUKTA A2 MULTIPLEX W.L.L.
STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2026

	Share capital BHD	Statutory reserve BHD	(Accumulated losses) BHD	Total BHD
Balance - At 01 April 2024	450,000	2,143	(1,676,538)	(1,224,395)
Increase in share capital	100,000	-	-	100,000
Total comprehensive (loss) for the year	-	-	(82,489)	(82,489)
At 31 March 2025 / 01 April 2025	550,000	2,143	(1,759,027)	(1,206,884)
Increase in share capital	100,000	-	-	100,000
Total comprehensive (loss) for the year	-	-	(39,959)	(39,959)
At 31 March 2026	650,000	2,143	(1,798,986)	(1,146,843)



Francy George
(Authorised Signatory)



MUKTA A2 MULTIPLEX W.L.L.
STATEMENT OF CASH FLOWS

Year ended 31 March 2026

	31/3/2026 BHD	31/3/2025 BHD
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) for the year	(39,959)	(82,489)
Payable write back	(60,657)	(21,030)
Depreciation on property, plant and equipment	37,140	30,959
Depreciation on right-of-use asset	46,677	3,964
Interest on lease liability	23,533	2,079
Cash flows from operating activities before working capital changes	6,734	(66,517)
Changes in operating assets and liabilities:		
Decrease/ (increase) in inventories	1,427	(410)
Decrease/(increase) in accounts and other receivable	52,071	(888)
(Decrease)/ increase in due to related party	(14,904)	65,223
(Decrease)/ increase in loan from related party	(20,000)	45,000
(Decrease) / increase in accounts and other payable	(61,776)	(106,025)
(Decrease)/increase in employees' leaving indemnity	(8,457)	444
Net cash generated from operating activities	(44,905)	(63,173)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(7,254)	(44,278)
Net cash (used in)/generated from investing activities	(7,254)	(44,278)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in share capital	100,000	100,000
Lease liability paid	(45,000)	(5,000)
Net cash generated from financing activities	55,000	95,000
Net (decrease)/increase in cash and cash equivalents	2,841	(12,451)
Cash and cash equivalents		
At the beginning of the year	16,603	29,054
At the end of the year (Refer note no. 12 to the financial statements)	19,444	16,603



Francy George
(Authorised Signatory)



MUKTA A2 MULTIPLEX W.L.L.**NOTES TO THE FINANCIAL STATEMENTS**

Year ended 31 March 2026

1. Incorporation and principal activities

Mukta A2 Multiplex W.L.L., (the "Company") is incorporated in the Kingdom of Bahrain as a With Limited Liability Company with the Ministry of Industry & Commerce under the commercial registration number 99524 - 01 obtained on 17 May 2016. The Company has 5 more branches under the commercial registration numbers 99524 - 02, 03, 04 and 05 obtained on 01 September 2016 and 99524 - 06 obtained on 05 September 2016. Its registered office is Flat No. 423, Building No. 1013, Road No. 2417, Block No. 324, Manama, Kingdom of Bahrain.

Principal activities

The Company is engaged in the business of motion picture projection activities and food and beverage service activities.

2. Adoption of new and revised International Financial Reporting Standards**New and amended standards adopted by the Company**

There are no new standards or amendments that have a material impact on the Company's financial statements.

New and amended IFRS which are in issue but not yet effectiveIFRS 18 Presentation and Disclosure of Financial Statement

IFRS 18 will replace IAS 1 Presentation of Financial Statements. Whilst many of the requirements will remain consistent, the new standard will have impact on the presentation of the Statement of Profit and Loss and consequential impacts on the Statement of Cash Flows. It will also require the disclosure of non-IFRS management performance measures and may impact the level of aggregation and disaggregation throughout the primary financial statements and the notes.

IFRS 18 applies for periods beginning on or after 1 January 2027 and will be applied retrospectively. Management is currently assessing the impact that IFRS 18 will have on the Company.

Amendments to IFRS 9 and IFRS 7 Amendments to the classification and Measurement of Financial Instruments

These amendments change the requirements as to when a financial liability can be derecognised when it is settled via electronic transfer as well as when cash flows can be considered simply payments of principal and interest and hence the ability to classify assets at amortised cost.

Amendments to IFRS 9 and IFRS 7 Amendments to the classification and Measurement of Financial Instruments, applies for periods beginning on or after 1 January 2026 and will be applied retrospectively. Whilst management is still assessing the impact of the amendments, the current expectation is that the amendments relating to the timing of derecognition of the liabilities may impact Company's financial liabilities, the amendment relating to the classification of financial assets is not expected to have any impact.

There are no other new standards or amendments that are expected to have a material impact on the Company.

3. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and the requirements of the Bahrain Commercial Companies Law of 2001 (as amended).

The financial statements have been drawn up from the accounting records of the company under the historical cost convention. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The financial statements are presented in Bahraini Dinars.

MUKTA A2 MULTIPLEX W.L.L.
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2026
3. Basis of preparation (continued...)
Equity and working capital position

We draw attention to note no. 3 to the notes to the financial statements which indicates that during the year ended 31 March 2026, the Company has incurred a loss of BHD. 39,959/- (31 March 2025 BHD. 82,489/-) and the accumulated losses as on that date was BHD. 1,798,986/- (31 March 2025: BHD. 1,759,027/-). Accordingly, as on the date of statement of financial position there is a deficit of BHD. 1,146,843/- (31 March 2025: BHD. 1,206,884/-) in the shareholders' equity. Further, as on 31 March 2026 the Company's current liabilities exceeded its current assets by BHD. 387,090/- (31 March 2025: BHD. 442,201/-). However, the shareholders have confirmed their willingness to continue to provide adequate financial support to the Company, whenever considered necessary to meet its liabilities as and when they fall due.

4. Material accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to the period presented in these financial statements.

Revenue recognition

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

Revenue from sale of goods is recognised at a point in time when control of the asset is transferred to the customer, normally on delivery to the customer.

Delivery occurs when the goods have been shipped to the specific location, the risks of loss have been transferred to the customer, and either the customer has accepted the products in accordance with the contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied

The timing of revenue recognition, billings and collections may result in trade receivables and contract liabilities.

Contract assets

The contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date. Contract assets are initially recognised for revenue earned on work completed as receipt of consideration is conditional on completion of work done and acceptance by the customer, at which point the contract assets are reclassified to trade accounts receivables, which usually occurs when the Company issues an invoice to the customer.

Property, plant and equipment

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

Depreciation is calculated on the straight line method so as to write off the cost of each asset to its residual value over its estimated useful life. The major class of depreciable assets and the applicable rates are as follows:-

Leasehold improvements	5%
Machinery and equipment's	10% - 20%
Furniture and fixtures	10% - 20%
Computer and accessories	20%
Concession equipment's	20%
Motor vehicles	20%

Property, plant and equipment under construction are carried at cost less any identified impairment loss. Costs include supervision fees and related expenses, professional fees, finance costs and borrowing costs capitalised in accordance with the Company's accounting policy. Depreciation of these assets commences when the assets are ready for their intended use.

MUKTA A2 MULTIPLEX W.L.L.**NOTES TO THE FINANCIAL STATEMENTS**

Year ended 31 March 2026

4. Material accounting policies (continued...)**Property, plant and equipment (continued...)**

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each end of the reporting period. Where the carrying amount of an asset is greater than its estimated recoverable amount, the asset is written down immediately to its recoverable amount.

Expenditure for repairs and maintenance of property, plant and equipment is charged to the income statement of the Period in which it is incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

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

Impairment of non financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses (except for goodwill), the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Non-derivative Financial instruments

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Receivable

Receivables are initially measured at fair value, and are subsequently measured at amortised cost less impairment, if any. Allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired.

Cash and cash equivalents

For purposes of statement of cash flows, cash and cash equivalents comprise of cash and bank balances.

Cash and cash equivalents are measured at fair value, based on the relevant exchange rates at the reporting date.

Accounts payable and accruals

Accounts payable are recognized for amounts to be paid in the future for goods purchased or services availed, whether billed by the supplier or not.

MUKTA A2 MULTIPLEX W.L.L.**NOTES TO THE FINANCIAL STATEMENTS**

Year ended 31 March 2026

4. Material accounting policies (continued...)**Non-derivative Financial instruments (continued...)***Financial instruments – recognition, classification, measurement, derecognition and offsetting*

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

All regular way purchases or sales of financial assets are recognised or derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(ii) Classification and subsequent measurementFinancial assets: Classification

On initial recognition, a financial asset is classified as measured at:

- amortised cost;
- Fair value through other comprehensive income (FVOCI) – debt investment;
- Fair value through other comprehensive income (FVOCI) – equity investment; or
- Fair value through profit or loss (FVTPL).

In order for a financial asset to be classified and measured at amortised cost or FVOCI, 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 SPPI test and is performed at an instrument level.

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

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

MUKTA A2 MULTIPLEX W.L.L.**NOTES TO THE FINANCIAL STATEMENTS**

Year ended 31 March 2026

4. Material accounting policies (continued...)**Non-derivative Financial instruments (continued...)****(ii) Classification and subsequent measurement (continued...)**

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified or measured at amortised cost or FVOCI 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 FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

· Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of comprehensive income. Any gain or loss on derecognition is recognised in the statement of comprehensive income.

The Company's financial assets include accounts and other receivables, bank and cash balances which are classified and measured at amortised cost.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statement of comprehensive income. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of comprehensive income. Any gain or loss on derecognition is also recognised in the statement of comprehensive income.

The Company's financial liabilities include accounts and other payable, loan from related party and due to related party and lease liability.

(iii) DerecognitionFinancial assets

A financial asset (or where applicable a part of a financial asset or a part of group of similar financial assets) is derecognised either when:

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

Where the Company has transferred its right to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset.

MUKTA A2 MULTIPLEX W.L.L.**NOTES TO THE FINANCIAL STATEMENTS**

Year ended 31 March 2026

4. Material accounting policies (continued...)**Non-derivative Financial instruments (continued...)****(iii) Derecognition (continued...)**Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of financial assets

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- Trade accounts receivable and contract assets and
- Financial assets measured at amortised cost (other than trade receivables)

In case of trade receivables and contract assets, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. ECL on trade receivables are calculated based on credit loss experience over the preceding years, ageing of receivables, current market conditions and any reliable forward looking information. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime of ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the statement of comprehensive income.

Provisions

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

MUKTA A2 MULTIPLEX W.L.L.**NOTES TO THE FINANCIAL STATEMENTS**

Year ended 31 March 2026

4. Material accounting policies (continued...)**Operating leases (continued...)**

At the inception of the contract, the Company assesses whether a contract is or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset – this maybe specified explicitly or implicitly in the contract and should be physically distinct or represent substantially all the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not an identified asset;
- the Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset, i.e., the Company has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either the Company has the right to operate the asset or the Company designed the asset in a way that predetermines how and for what purpose it will be used.

Lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use of asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

MUKTA A2 MULTIPLEX W.L.L.**NOTES TO THE FINANCIAL STATEMENTS**

Year ended 31 March 2026

4. Material accounting policies (continued...)**Operating leases (continued...)**

When the lease liability is remeasured as described above, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease and non-lease components :

At the inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component based on their relative stand-alone prices. However for the leases of land and buildings for which it is a lessee, the Company has elected not to separate the non-lease components and account for the lease and non-lease components as a single lease component.

Extension and termination options :

Where extension and termination options are included in the lease contracts, these are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Company reassesses whether it is reasonably certain to exercise options if there is a significant event or significant change in circumstances within its control.

Variable lease payments :

Certain leases contain variable payment terms that are linked to the sales generated by the store. Such variable lease payments are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Employees' terminal benefits

Employee's terminal benefits and entitlement to annual leave, holiday, air passage and other short term benefits are recognized as they accrue to the employees. The Company contributes to the pension scheme for Bahraini nationals administered by the Social Insurance Organization (SIO) in the Kingdom of Bahrain. The Company's share of contribution to this funded scheme which is defined contribution scheme under IAS-19-Employee benefits, is recognised as an expense in the statement of comprehensive income.

The expatriate employees of the Company are paid leaving indemnity in accordance with the provisions of the Bahrain Labour Law for private sector of 2012, based on length of service and final salary. Provision for this, which is unfunded and represents a defined benefit plan under IAS-19 has been made by calculating the notional liability had all employees left on 29 February 2024. The provision is classified as a non-current liability in the statement of financial position.

On 12 December 2023, a new system of leaving indemnity for expatriate employees was introduced with an effective date of 1 March 2024 whereby, the end-of-service benefit amounts should be paid to the SIO on a monthly basis by the Company and is recognised as an expense in Company's statement of comprehensive income.

Foreign currency translation**1) Functional and presentation currency**

Items included in the company's financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Bahraini Dinars (BHD), which is the company's functional and presentation currency.

2) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

MUKTA A2 MULTIPLEX W.L.L.**NOTES TO THE FINANCIAL STATEMENTS**

Year ended 31 March 2026

4. Material accounting policies (continued...)**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 recognised 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 recognised 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 recognised 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 recognised 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 recognised.

Non-current liabilities

Non-current liabilities represent amounts that are due more than twelve months from the end of the reporting period.

Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

5. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes judgements, estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a) Revenue from contracts with customers

The application of revenue recognition policy in accordance with IFRS 15 has required management to make judgments in identifying performance obligations, determining transaction prices, allocating transaction prices to performance obligations, timing of satisfaction of performance obligations, estimating variable consideration and identifying financing components in contracts.

b) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

c) Provision for obsolete and slow-moving inventory

The Company reviews its inventory records for evidence regarding the saleability of inventory and its net realizable value on disposal. The provision for obsolete and slow-moving inventory is based on management's past experience, taking into consideration the value of inventory as well as the movement and the level of stock of each category of inventory. The amount of provision is charged to profit or loss. The review of the net realisable value of the inventory is continuous and the methodology and assumptions used for estimating the provision for obsolete and slow-moving inventory are reviewed regularly and adjusted accordingly.

d) Useful life and residual value of property, plant and equipment

The Company reviews the useful life and residual value of property, plant and equipment at each reporting date to determine whether an adjustment to the useful life and residual value is required. The useful life and residual value is estimated based on similar assets of the industry, and future economic benefit expectations of the management.

MUKTA A2 MULTIPLEX W.L.L.
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

5. Critical accounting estimates and judgements (continued...)
e) Determining lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

f) Use of incremental rate of borrowing

For measuring the lease liability, the Company discounted the lease payments based on its incremental rate of borrowing at the date of adoption of IFRS 16 i.e. 5%. The definition of incremental borrowing rate states that the rate should reflect what the Company would be charged to borrow over a similar term and under similar circumstances.

6. Financial instruments and risk management

Financial assets and liabilities are recognized when the company becomes a party to the contractual provisions of the instruments. The table below set out the Company's classification of each class of financial assets and financial liabilities:

	31/3/2026	31/3/2025
	BHD	BHD
Financial assets		
Trade receivable	17,608	64,416
Deposits and other receivable (excluding prepayments)	54,882	59,861
Cash and bank balances	19,444	16,603
	91,934	140,880
	31/3/2026	31/3/2025
	BHD	BHD
Financial liabilities		
Trade payable	35,794	51,291
Accrued expenses	51,316	97,202
Other payable	336,390	392,998
Lease liability	481,377	502,844
Loan from related party	735,782	755,782
Due to related party	182,678	197,582
	1,823,337	1,997,699

Financial risk factors

The risk management policies employed by the Company to manage the financial risks are discussed below:

6.1) Credit risk

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the end of the reporting period. The Company has no significant concentration of credit risk. The Company has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history and monitors on a continuous basis the ageing profile of its receivables. The Company's accounts receivable are subject to the expected credit loss model. Cash balances are held with high credit quality financial institutions and the Company has policies to limit the amount of credit exposure to any financial institution. While bank and cash balances are subject to impairment, the identified impairment loss is considered immaterial.

MUKTA A2 MULTIPLEX W.L.L.
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

6. Financial instruments and risk management (continued...)
6.1) Credit risk (continued...)

The maximum exposure to credit risk at the end of the reporting period was:

	31/3/2026	31/3/2025
	<u>BHD</u>	<u>BHD</u>
Trade receivable	17,608	64,416
Deposits and other receivable (excluding prepayments)	54,882	59,861
Bank balances	18,831	12,726
	<u>91,321</u>	<u>137,003</u>

The ageing of fee receivable at the reporting date was:

	Gross 31/3/2026	Impairment 31/3/2026	Gross 31/3/2025	Impairment 31/3/2025
	<u>BHD</u>	<u>BHD</u>	<u>BHD</u>	<u>BHD</u>
0 - 30 days	17,264	-	64,416	-
31 - 60 days	189	-	-	-
More than 60 days	155	-	-	-
	<u>17,608</u>	<u>-</u>	<u>64,416</u>	<u>-</u>

6.2) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rate and equity prices will affect the Company's income or the value of its holdings of financial instruments.

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's measurement currency. The Company does not have any significant currency risk as the Company's transactions are mainly in Bahraini Dinars and other GCC currencies which are effectively pegged to US dollar.

Interest risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company's income and operating cash flows are substantially independent of the changes in market interest rates as the Company has no significant interest-bearing assets. The loan to related party bears a fixed annual interest rate.

Price risk

The Company's financial assets and liabilities are not exposed to market price risk.

6.3) Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from last year.

6.4) Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from inability to sell a financial asset quickly at close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available, to meet any future commitments.

MUKTA A2 MULTIPLEX W.L.L.
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

6. Financial instruments and risk management (continued...)
6.4) Liquidity risk (continued...)

The following are the contractual maturities of financial liabilities:

31/3/2026

	Carrying amount	Contractual undiscounted cash flows	Within 6 months	6 to 12 months	More than 12 months
	BHD	BHD	BHD	BHD	BHD
Trade payable	35,794	35,794	35,794	-	-
Accrued expenses	51,316	51,316	51,316	-	-
Other payable	336,390	336,390	336,390	-	-
Lease liability	481,377	600,000	45,000	30,000	525,000
Loan from related party	735,782	735,782	-	-	735,782
Due to related party	182,678	182,678	-	-	182,678
	1,823,337	1,941,960	468,500	30,000	1,443,460

31/3/2025

	Carrying amount	Contractual undiscounted cash flows	Within 6 months	6 to 12 months	More than 12 months
	BHD	BHD	BHD	BHD	BHD
Trade payable	51,291	51,291	51,291	-	-
Accrued expenses	97,202	97,202	97,202	-	-
Other payable	392,998	392,998	392,998	-	-
Lease liability	502,844	645,000	30,000	30,000	585,000
Loan from related party	755,782	755,782	-	-	755,782
Due to related party	197,582	197,582	-	-	197,582
	1,997,699	2,139,855	571,491	30,000	1,538,364

7. Right-of-use asset
Cost:
Balance - At 01 April 2024

Additions during the year

At 31 March 2025 / 01 April 2025

Additions during the year

At 31 March 2026
Depreciation:
Balance - At 01 April 2024

Charged during the year

At 31 March 2025 / 01 April 2025

Charged during the year

At 31 March 2026
Net book amount:
At 31 March 2026

At 31 March 2025

	Theatre premises	Total
	BHD	BHD
Balance - At 01 April 2024	-	-
Additions during the year	505,765	505,765
At 31 March 2025 / 01 April 2025	505,765	505,765
Additions during the year	-	-
At 31 March 2026	505,765	505,765
Balance - At 01 April 2024	-	-
Charged during the year	3,964	3,964
At 31 March 2025 / 01 April 2025	3,964	3,964
Charged during the year	46,677	46,677
At 31 March 2026	50,641	50,641
At 31 March 2026	455,124	455,124
At 31 March 2025	501,801	501,801

The right-of-use assets represent theatre premises (Units 423, 424, 425, 426, 427, and 428 – Fourth Floor, Building 1013, Road 2417, Block 324, Al Fateh, Kingdom of Bahrain) leased under non-cancellable operating lease agreements. The amended leases commenced on 1 March 2025 and will expire on 31 December 2035.

MUKTA A2 MULTIPLEX W.L.L.

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2026

8. Property, plant and equipment

	Leasehold improvements	Machinery & equipments	Furniture & fixtures	Computer & accessories	Concession equipments	Motor vehicles	Total
	BHD	BHD	BHD	BHD	BHD	BHD	BHD
Cost:							
Balance - At 01 April 2024	216,872	400,564	84,376	24,549	24,446	13,384	764,191
Additions during the year	-	33,815	285	2,653	-	7,525	44,278
At 31 March 2025 / 01 April 2025	216,872	434,379	84,661	27,202	24,446	20,909	808,469
Additions during the year	-	4,698	132	395	2,029	-	7,254
At 31 March 2026	216,872	439,077	84,793	27,597	26,475	20,909	815,723
Depreciation:							
Balance - At 01 April 2024	81,761	375,693	69,646	24,001	23,201	13,384	587,686
Charged during the year	10,843.00	12,873	5,994	366	331	552	30,959
At 31 March 2025 / 01 April 2025	92,604	388,566	75,640	24,367	23,532	13,936	618,645
Charged during the year	10,843	16,876	6,159	1,040	717	1,505	37,140
At 31 March 2026	103,447	405,442	81,799	25,407	24,249	15,441	655,785
Net book amount:							
At 31 March 2026	113,425	33,635	2,994	2,190	2,226	5,468	159,938
At 31 March 2025	124,268	45,813	9,021	2,835	914	6,973	189,824

MUKTA A2 MULTIPLEX W.L.L.
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

9. Inventories

	31/3/2026	31/3/2025
	<u>BHD</u>	<u>BHD</u>
Stock of food items, beverages etc.	<u>10,796</u>	<u>12,223</u>
	<u>10,796</u>	<u>12,223</u>

10. Contract balances

The Company has recognised the following assets and liabilities relating to contracts with customers:

	31/3/2026	31/3/2025
	<u>BHD</u>	<u>BHD</u>
Trade receivable	<u>17,608</u>	<u>64,416</u>

11. Accounts and other receivable

	31/3/2026	31/3/2025
	<u>BHD</u>	<u>BHD</u>
Accounts receivable	<u>17,608</u>	<u>64,416</u>
Deposits	<u>45,500</u>	<u>47,135</u>
Prepayments	<u>1,152</u>	<u>1,436</u>
Advances	<u>2,921</u>	<u>2,397</u>
Other receivable	<u>6,461</u>	<u>10,329</u>
	<u>73,642</u>	<u>125,713</u>

12. Cash and bank balances

	31/3/2026	31/3/2025
	<u>BHD</u>	<u>BHD</u>
Cash in hand	<u>613</u>	<u>3,877</u>
Bank balances	<u>18,831</u>	<u>12,726</u>
	<u>19,444</u>	<u>16,603</u>

13. Share capital

	Number of Shares	31/3/2026 BHD	Number of Shares	31/3/2025 BHD
Mukta Arts Limited	<u>3,900</u>	<u>390,000</u>	<u>3,300</u>	<u>330,000</u>
A.A. Films Private limited	<u>2,600</u>	<u>260,000</u>	<u>2,200</u>	<u>220,000</u>
	<u>6,500</u>	<u>650,000</u>	<u>5,500</u>	<u>550,000</u>

Pursuant to the amendment made to the Memorandum of Association dated 10 September 2025, the share capital of the Company has been increased to BHD. 650,000/-. The revised capital structure is disclosed above

The share capital of the Company consists of 6,500 shares at BHD. 100/- each.

14. Statutory reserve

Under the provisions of Bahrain Commercial Companies Law of 2001 (as amended), an amount equivalent to 10% of the Company's net profit before appropriations is required to be transferred to a non distributable reserve account until such time an amount equal to 50% of the share capital is set aside. During the year no transfer has been made to the account as the Company has incurred a net loss.

MUKTA A2 MULTIPLEX W.L.L.
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

15. Employees' leaving indemnity

	31/3/2026	31/3/2025
	<u>BHD</u>	<u>BHD</u>
Balance - At 01 April	38,495	38,051
Net movements during the year	(8,457)	444
Balance - At 31 March	<u>30,038</u>	<u>38,495</u>

16. Accounts and other payable

	31/3/2026	31/3/2025
	<u>BHD</u>	<u>BHD</u>
Accounts payable	35,794	51,291
Accrued expenses	51,316	97,202
Provision for leave salary	12,412	16,854
Other payable	265,093	309,762
VAT payable (net)	71,297	83,236
	<u>435,912</u>	<u>558,345</u>

17. Related parties

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. These represent transactions with shareholders, directors and key management of the Company, and entities in which they have significant influence or control.

Transactions with key management personnel

Key management personnel of the company comprise the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Company. Key management personnel are the Directors and compensation paid to them during the year is as follows:

17.1) Directors' salary and allowances

	31/3/2026	31/3/2025
	<u>BHD</u>	<u>BHD</u>
Akshay Vashdev Bajaj	26,250	37,500
	<u>26,250</u>	<u>37,500</u>

17.2) Due to related party

	31/3/2026	31/3/2025
	<u>BHD</u>	<u>BHD</u>
Mukta Arts Private Limited	182,678	197,582
	<u>182,678</u>	<u>197,582</u>

Due to related party represents expenses met by the related party on behalf of the Company. The above balance is unsecured, interest free and repayable on demand.

17.3) Loan from related party

	31/3/2026	31/3/2025
	<u>BHD</u>	<u>BHD</u>
Mukta Arts Private Limited	735,782	755,782
	<u>735,782</u>	<u>755,782</u>

The above loan from a related party bears interest at 6% per annum and is repayable after one year.

MUKTA A2 MULTIPLEX W.L.L.
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

18. Lease liability

Lease liability represents the discounted value of future lease payments for the lease of theatre premises (Units 423, 424, 425, 426, 427, and 428 – Fourth Floor, Building 1013, Road 2417, Block 324, Al Fateh, Kingdom of Bahrain).

The movement of lease liability during the year is as follows:

	31/3/2026	31/3/2025
	<u>BHD</u>	<u>BHD</u>
Lease liability as at 01 April	502,844	-
Add: Discounted lease liability for operating leases entered during the year	-	505,765
Add: Interest on lease liability	23,533	2,079
Less: Lease liability paid	(45,000)	(5,000)
Lease liabilities as at 31 March	<u>481,377</u>	<u>502,844</u>
Current portion of lease liability	55,060	38,395
Non-current portion of lease liability	<u>426,317</u>	<u>464,449</u>
	<u>481,377</u>	<u>502,844</u>

The above lease commitments do not include lease commitments for short term leases, i.e., where the lease term is 12 months or less, leases of low value assets. These payments are expensed in the statement of profit or loss and other comprehensive income.

Amounts recognised in the statement of profit or loss and other comprehensive income

	31/3/2026	31/3/2025
	<u>BHD</u>	<u>BHD</u>
Interest on lease liabilities (Refer note 20.1)	<u>23,533</u>	2,079

19. Revenue from contracts with customers

The following sets out the disaggregation of the Company's revenue from contracts with customers:

	31/3/2026	31/3/2025
	<u>BHD</u>	<u>BHD</u>
a) Type of goods or services		
Box office sales	337,244	431,766
Food and beverage sales	172,807	183,017
Distribution share	-	231,974
Management fee	133,562	92,848
	<u>643,613</u>	<u>939,605</u>
b) Timing of satisfaction of performance obligation		
Goods and services transferred at point in time	643,613	939,605
	<u>643,613</u>	<u>939,605</u>
c) Customer relationship		
Third party customers	643,613	939,605
	<u>643,613</u>	<u>939,605</u>
d) Geographical locations		
Local sales	643,613	939,605
	<u>643,613</u>	<u>939,605</u>

MUKTA A2 MULTIPLEX W.L.L.
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2026
20. Cost of sales

	31/3/2026	31/3/2025
	BHD	BHD
Opening stock	12,223	11,813
Add: Purchases during the year	42,223	44,847
Less: Closing stock	(10,796)	(12,223)
	43,650	44,437
Direct expenses (refer note 20.1)	324,430	641,512
	368,080	685,949

20.1) Direct expenses

	31/3/2026	31/3/2025
	BHD	BHD
Distribution share	161,290	429,518
Rent expenses	-	116,550
Depreciation on right-of-use asset (Refer note 07)	46,677	3,964
Interest on lease liability (Refer note 18)	23,533	2,079
Electricity and water	35,645	54,460
Maintenance charges	22,799	24,837
Other direct expenses	34,486	10,104
	324,430	641,512

21. Other income

	31/3/2026	31/3/2025
	BHD	BHD
Screen advertising	4,236	25,000
Rent concession received	-	46,184
Payable write back	60,657	21,030
Professional fee	13,410	15,177
Convenience fee	10,427	12,249
Interest income	197	123
Exchange gain	492	-
Miscellaneous income	33,971	23,621
	123,390	143,384

22. General and administration expenses

	31/3/2026	31/3/2025
	BHD	BHD
Staff cost	207,851	186,216
Repairs and maintenance	6,974	14,286
Travelling expenses	5,291	13,930
Discount and commission	76,407	94,275
Communication	2,272	2,766
Legal and professional	4,129	2,807
Vehicle running and maintenance expenses	3,672	3,487
Security charges	-	2,400
Printing and stationery	651	760
Office expenses	3,162	2,583
	310,409	323,510

MUKTA A2 MULTIPLEX W.L.L.**NOTES TO THE FINANCIAL STATEMENTS**

Year ended 31 March 2026

23. Finance charges

	31/3/2026	31/3/2025
	<u>BHD</u>	<u>BHD</u>
Interest on related party loan (refer note 17.3)	45,097	44,193
	<u>45,097</u>	<u>44,193</u>

The above interest relates to a loan obtained by the Company from a shareholder, which bears interest at 6% per annum.

24. Rounding off of figures

All figures have been rounded off to the nearest Bahraini Dinars.

25. Contingent liability

As at 31 March 2026, there were no contingent liabilities arising in the ordinary course of the business, which are expected to give rise to any loss.

26. Events after reporting period

There were no events after the reporting period, which have a bearing on the understanding of the financial statements.

Independent Auditors' Report Pages 3, 4 & 5