

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

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FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

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EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The director have pleasure in submitting his report and the audited financial statements for the year ended 31 March 2025.

Principal Activities

The principal activities of the company are Computer & Peripheral Equipment Trading, Computer Systems & Communication Equipment Software Design, Computer & Data Processing Requisties Trading under license # 1260847.

Business Operations Review

The Company has made a profit of AED 2,709,395/- for the year.

Events since the end of the year

There are no significant events since the end of the financial year and the date of this report, which is likely to affect, substantially the result of the operations or the financial position of the company.

Shareholder and its interests

The shareholder as at 31 March 2025 and his interest in the share capital of the company as at that date were as follows:

Name	Number of shares	AED
Expleo Solutions Limited	150	150,000
	150	150,000

Auditors

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

Authorized Signatory

14 May 2025

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note	March 31, 2025 AED	March 31, 2024 AED
NON-CURRENT ASSETS			
Fixed assets	5	<u>102,061</u>	-
		<u>102,061</u>	-
CURRENT ASSETS			
Accounts and other receivable	6	9,280,203	711,294
Cash and cash equivalents	7	4,196,765	262,664
Due from related party	8.1	-	1,146,777
		<u>13,476,968</u>	<u>2,120,735</u>
TOTAL ASSETS		<u><u>13,579,029</u></u>	<u><u>2,120,735</u></u>
EQUITY FUNDS			
Share capital	2	150,000	150,000
Retained earnings		<u>2,864,667</u>	146,108
		<u>3,014,667</u>	<u>296,108</u>
CURRENT LIABILITIES			
Accounts and other payable	9	2,312,946	1,512,642
Due to related party	8.2	8,251,416	311,986
		<u>10,564,362</u>	<u>1,824,628</u>
TOTAL EQUITY FUNDS AND LIABILITIES		<u><u>13,579,029</u></u>	<u><u>2,120,735</u></u>

The accounting policies and notes on page 7 to 19 form an integral part of these financial statements.

The independent auditors' report is set forth on page 2 - 2A.

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

These financial statements have been approved and signed by the undersigned on 14 May 2025.

For Expleo Solutions LLC

Authorized Signatory

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2025

		For the year ended 31 March 2025	For the period from 29 November 2023 to 31 March 2024
	Note	AED	AED
REVENUE	10	33,141,454	1,611,088
Cost of revenue	11	<u>(26,190,969)</u>	<u>(930,638)</u>
GROSS PROFIT		6,950,485	680,450
Selling and distribution expenses		(88,831)	-
Administrative expenses	12	(3,610,317)	(530,619)
Depreciation	5	<u>(12,865)</u>	<u>-</u>
OPERATING PROFIT		3,238,471	149,831
Financial charges	13	(62,519)	(355)
Exchange (loss)		(71,765)	-
Other comprehensive expense		<u>(153,848)</u>	<u>(3,369)</u>
PROFIT BEFORE TAX		2,950,340	146,108
Current tax		<u>(231,781)</u>	<u>-</u>
NET PROFIT FOR THE YEAR AFTER TAX		<u>2,718,559</u>	<u>146,108</u>

The accounting policies and notes on page 7 to 19 form an integral part of these financial statements.

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For Expleo Solutions LLC

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EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Share capital AED	Retained earnings AED	Total AED
Share capital introduced	150,000	-	150,000
Profit for the period	-	146,108	146,108
As at 31st March 2024	150,000	146,108	296,108
Profit for the year	-	2,718,559	2,718,559
As at 31st March 2025	150,000	2,864,667	3,014,667

The accounting policies and notes on page 7 to 19 form an integral part of these financial statements.

The independent auditors' report is set forth on page 2 - 2A.

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For Expleo Solutions LLC

Authorized Signatory

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Note	For the year ended 31 March 2025	For the period from 29 November 2023 to 31 March 2024
		AED	AED
Cash flows from operating activities			
Profit for the year		2,718,559	146,108
Adjustments for:			
Depreciation	5	<u>12,865</u>	<u>-</u>
Operating profit before changes in operating assets and liabilities		2,731,425	146,108
(Increase) in accounts and other receivable	6	(8,568,909)	(711,294)
Decrease / (increase) in due from related parties		1,146,777	(1,146,777)
Increase in accounts and other payable	9	800,304	1,512,641
Increase in due to related parties		7,939,431	311,986
Cash from / (used in) operations		<u>1,317,602</u>	<u>(33,444)</u>
Net cash from operating activities (A)		<u>4,049,027</u>	<u>112,664</u>
Cash flows from investing activities			
Fixed assets purchased	5	(114,926)	-
Net cash (used in) investing activities (B)		<u>(114,926)</u>	<u>-</u>
Cash flows from financing activities			
Share capital introduced		-	150,000
Net cash from financing activities (C)		<u>-</u>	<u>150,000</u>
Net increase in cash and cash equivalents (A+B+C)		3,934,101	262,664
Cash and cash equivalents at the beginning of the year		262,664	-
Cash and cash equivalents at the end of the year	7	<u>4,196,765</u>	<u>262,664</u>

The accounting policies and notes on page 7 to 19 form an integral part of these financial statements.

The independent auditors' report is set forth on page 2 - 2A.

These financial statements have been approved and signed by the undersigned on 14 May 2025.

For Expleo Solutions LLC

Authorized Signatory

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1 LEGAL STATUS AND BUSINESS ACTIVITY

- a) **Expleo Solutions LLC**, was incorporated on 29 November 2023 and operates as a limited liability company under a Business License No. 1260847 issued by Department of Economy and Tourism, Government of Dubai, Dubai, U.A.E. The company is registered under UAE Federal Law No.(32) of 2021 as amended relating to commercial companies operating in the UAE.
- b) The principal activities of the company are Computer & Peripheral Equipment Trading, Computer Systems & Communication Equipment Software Design, Computer & Data Processing Requisties Trading under license # 1260847.
- d) The Company does not perform any Corporate tax assessment and calculation during the year ended 31

2 SHAREHOLDING

- 2.1 The shareholding of the company is as follows:

Name	Number of shares	AED
Expleo Solutions Limited	150	150,000
	150	150,000

- 2.2 The authorized and paid up share capital of the Company is AED 150,000/- divided into 150 shares of AED 1,000/- each.

3 NEW STANDARDS AND AMENDMENTS

3.1 New and amended IFRS Accounting Standards that are effective for the current year

In the current year, the Company has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements

The amendments add a disclosure objective to IAS 7 stating that an Company is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the Company's liabilities and cash flows. In addition, IFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an Company's exposure to concentration of liquidity risk.

The term 'supplier finance arrangements' is not defined. Instead, the amendments describe the characteristics of an arrangement for which an Company would be required to provide the information.

To meet the disclosure objective, an Company will be required to disclose in aggregate for its supplier finance arrangements:

- The terms and conditions of the arrangements.
- The carrying amount, and associated line items presented in the Company's statement of financial position, of the liabilities that are part of the arrangements
- The carrying amount, and associated line items for which the suppliers have already received payment from the finance providers
- Ranges of payment due dates for both those financial liabilities that are part of a supplier finance arrangement and comparable trade payables that are not part of a supplier finance arrangement
- Liquidity risk information

The amendments, which contain specific transition reliefs for the first annual reporting period in which an Company applies the amendments, are applicable for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted.

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3 NEW STANDARDS AND AMENDMENTS (CONTINUED)

3.1 New and amended IFRS Accounting Standards that are effective for the current year

Amendment to IFRS 16 Leases—Lease Liability in a Sale and Leaseback

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 16 to be accounted for as a sale. The amendments require the seller-lessee to determine ‘lease payments’ or ‘revised lease payments’ such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date. The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognised a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate. As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability, that arises from a sale and leaseback transaction that qualifies as a sale applying IFRS 16, is a lease liability. The amendments are effective for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted. If a seller-lessee applies the amendments for an earlier period, it is required to disclose that fact. A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, which is defined as the beginning of the annual reporting period in which the Company first applied IFRS 16.

Amendments to IAS 1 Presentation of Financial Statements—Classification of Liabilities as Current or Non-current

The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or non current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an Company will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of ‘settlement’ to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are applied retrospectively for annual periods beginning on or after 1 January 2024, with early application permitted. The IASB has aligned the effective date with the 2022 amendments to IAS 1. If an Company applies the 2020 amendments for an earlier period, it is also required to apply the 2022 amendments early. The directors of the parent Company anticipate that the application of these amendments may have an impact on the Company's consolidated financial statements in future periods.

3.2 New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3 NEW STANDARDS AND AMENDMENTS (CONTINUED)

3.2 New and revised IFRS Accounting Standards in issue but not yet effective (Continued)

Amendments to IAS 21 - Lack of Exchangeability

In August 2023, the IASB amended IAS 21 to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. Prior to these amendments, IAS 21 set out the exchange rate to use when exchangeability is temporarily lacking, but not what to do when lack of exchangeability is not temporary.

These new requirements will apply for annual reporting periods beginning on or after 1 January 2025. Early application is permitted (subject to any endorsement process). Refer to Filling the gap in currency accounting: new IFRS requirements for lack of exchangeability for further details.

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

On 30 May 2024, the IASB issued targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- (a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- (b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- (c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- (d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The amendments in (b) are most relevant to financial institutions, but the amendments in (a), (c) and (d) are relevant to all entities.

The amendments to IFRS 9 and IFRS 7 will be effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted subject to any endorsement process.

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3 NEW STANDARDS AND AMENDMENTS (CONTINUED)

3.2 New and revised IFRS Accounting Standards in issue but not yet effective (Continued)

IFRS 18, 'Presentation and Disclosure in Financial Statements'

This is the new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss.

The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss with defined subtotals;
- requirement to determine the most useful structure summary for presenting expenses in the statement of profit or loss
- required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general

IFRS 19, 'Subsidiaries without Public Accountability: Disclosures'

This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements; and it applies instead the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.

A subsidiary is eligible if:

- it does not have public accountability; and
- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

4 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

These financial statements are prepared under the historical cost convention and in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB) and the requirements of UAE Commercial Companies Law No. 32 of 2021, as amended.

b) Presentation currency

These financial statements have been expressed in UAE Dirham, which is the functional domicile currency of the Company.

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

c) Summary of Significant accounting Policies

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

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Summary of Significant accounting Policies (Continued)

i) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the The Company recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

Step 1: Identify the contract(s) with customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4 : Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation at a point in time or over a period.

Revenue is recognised when or as a performance obligation in the contract with customer is satisfied, i.e., when the “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation is a promise to transfer a distinct goods or service (or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer) to the customer that is explicitly stated in the contract and implied in the Group’s customary business practices.

Revenue is measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customers, excluding amounts collected on behalf of third parties such as taxes. If the amount of consideration varies due to discounts, rebates, refunds, credits, incentives, penalties or other similar items, the Group estimates the amount of consideration to which it will be entitled based on the expected value or the most likely outcome. If the contract with customer contains more than one performance obligation, the amount of consideration is allocated to each performance obligation based on the relative stand-alone selling prices of the goods or services promised in the contract.

The revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

ii) Foreign currency transactions

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

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

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Summary of Significant accounting Policies (Continued)

Foreign currency transactions (Continued)

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

iii) Provisions

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

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 flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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

iv) Cash and cash equivalents

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

v) Current versus non-current classification

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

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

All other assets are classified as non-current,

A liability is current when:

- a. It is expected to be settled in the normal operating cycle.
- b. It is held primarily for the purpose of trading.
- c. It is due to be settled within twelve months after the reporting period. or,
- d. There is no unconditional 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.

vi) Short term leases

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of office premises that have a term of 12 months or less or for leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Summary of Significant accounting Policies (Continued)

vii) Fair value measurement

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 principal or the most advantageous market must be accessible to the Group.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

viii) Value added tax (VAT)

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

ix) Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or as incurred.

x) Other income

Other income is recognised on accrual basis when the Company's entitlement to the revenue is established.

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Summary of Significant accounting Policies (Continued)

xi) Income Taxes

The income tax expense represents the sum of current and deferred income tax expense.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the parent Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
NOTES TO THE FINANCIAL STATEMENTS
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5 FIXED ASSETS	Leasehold	Furniture & fixtures	Office equipments	Total
Cost	AED	AED	AED	AED
Addition during the year	52,000	20,000	42,926	114,926
As at 31 March 2025	52,000	20,000	42,926	114,926
Accumulated depreciation				
Charge for the year	7,944	1,019	3,902	12,865
As at 31 March 2025	7,944	1,019	3,902	12,865
Net Assets Value on 31 March 2025	44,056	18,981	39,024	102,061
			March 31,	March 31,
			2025	2024
			AED	AED
6 ACCOUNTS AND OTHER RECEIVABLE				
Accounts receivable			8,754,184	311,986
Prepayments			225,978	52,672
Deposits			4,463	4,463
Advances to suppliers			136,504	-
Advances to staff			145,225	-
Accrued income			-	342,155
VAT			13,850	18
			9,280,203	711,294
7 CASH AND CASH EQUIVALENTS				
Cash at bank			4,196,765	262,664
			4,196,765	262,664
8 RELATED PARTY TRANSACTIONS				
Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operational decisions.				
For the year ended 31 March 2025, following are the details of related party transactions:				
8.1 DUE FROM RELATED PARTY				
ESL - DUBAI LLC			-	1,146,777
8.2 DUE TO RELATED PARTY				
SQS BFSI FZE			-	311,986
ESL - DUBAI LLC			8,251,416	-
			8,251,416	311,986

The related party transactions represent transfer of resources at book values to / from other companies to facilitate day to day business operations of the Company.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

	March 31, 2025 AED	March 31, 2024 AED
9 ACCOUNTS AND OTHER PAYABLE		
Accounts payable	57,625	-
VAT	223,869	-
Accrued salaries	107,009	113,037
Provisions	1,924,442	1,070,607
Advances from customers	-	328,998
	<u>2,312,946</u>	<u>1,512,642</u>
10 REVENUE		
Revenue	<u>33,141,454</u>	<u>1,611,088</u>
	<u>33,141,454</u>	<u>1,611,088</u>
11 COST OF REVENUE		
Purchases and direct expenses	<u>26,190,969</u>	<u>930,638</u>
	<u>26,190,969</u>	<u>930,638</u>
12 ADMINISTRATIVE EXPENSES		
Salaries and benefits	2,447,449	459,591
Legal, professional and visa charges	450,567	34,200
Rent, rates and taxes	201,119	36,828
Communication and utilities	131,785	-
Training and development	90,352	-
Travelling and conveyance	57,443	-
Printing and stationery	6,617	-
Repair and maintenance	7,860	-
Insurance	199,747	-
Other office and administrative expenses	17,379	-
	<u>3,610,317</u>	<u>530,619</u>
13 FINANCE CHARGES		
Bank charges	<u>62,519</u>	<u>355</u>
	<u>62,519</u>	<u>355</u>

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13 CURRENT INCOME TAX AND DEFERRED TAX

With the introduction of corporate tax in the United Arab Emirates, the Entity is subject to Corporate Tax at 9% on the taxable profits which exceed AED 375,000. The major components of Corporate Tax expense in the consolidated statement of profit or loss are:

Current income tax

Current income tax expense	<u>231,781</u>
	<u><u>231,781</u></u>

Deferred income tax

Origination of temporary differences	<u>-</u>
	<u><u>-</u></u>

Total tax expense	<u><u>231,781</u></u>
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Following is the reconciliation of current income tax expense and accounting profit:

Accounting profit for the year before tax	2,950,340
At the UAE statutory tax rate of 9% charged during the year	<u>265,531</u>
Adjustments in respect of standard deduction as per the Law*	(33,750)
Entertainment expense (50% allowed as per the Law)	-
Fines and penalties (disallowed as per the Law)	-
At the effective current income tax rate of 8%	<u><u>231,781</u></u>

For the purpose of determining income tax expense for the year, the accounting profit has been adjusted for tax purposes. Adjustments for tax purposes include items relating to both income and expense. The adjustments are based on the current understanding of the existing tax laws, regulations and practices. The Company has not identified any material risks or uncertainties in the structure from a corporate tax perspective and will continuously monitor further developments that could impact the tax profile of the Company.

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
FOR THE YEAR ENDED 31 MARCH 2025

14 COMPANY'S RISK MANAGEMENT POLICIES

The Entity's management sets out the Entity's overall business strategies and its risk management philosophy. The Entity's overall financial risk management program seeks to minimize potential adverse effects on the financial performance of the Entity. The Entity's policies include financial risk management policies covering specific areas, such as market risk (including foreign exchange risk, interest rate risk), liquidity risk and credit risk. Periodic reviews are undertaken to ensure that the Entity's policy guidelines are complied with.

There has been no change to the Entity's exposure to these financial risks or the manner in which it manages and measures the risk.

The Entity is exposed to the following risks related to financial instruments. The Entity has not framed formal risk management policies, however, the risks are monitored by management on a continuous basis. The Entity does not enter into or trade in financial instruments, investment in securities, including derivative financial instruments, for speculative or risk management purposes.

(a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties. The Company's exposure is continuously monitored and its credit exposure is reviewed by the management regularly.

* Excludes contract assets, advances to suppliers, and prepayments.

Management monitors the credit ratings of counterparties regularly and at the reporting date does not expect any losses from non-performance by the counterparties. For all financial assets to which the impairment requirements have not been applied, the carrying amount represents the maximum exposure to credit loss.

The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

Credit risk from balances with banks and financial institutions is managed by only placing the balances with international banks and local banks of good repute. Given the profile of its bankers, management does not expect any counterparty to fail in meeting its obligations.

(b) Interest rate risk

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

As at the reporting date, there is no significant interest rate risk as there are no borrowings at year end.

(c) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Entity does not have any significant exposure to currency risk, as most of its assets and liabilities are denominated in Arab Emirates Dirham and US Dollar to which Arab Emirates Dirham to US Dollar conversion is pegged.

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FOR THE YEAR ENDED 31 MARCH 2025

15 CAPITAL RISK MANAGEMENT

The Entity manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the equity balance. The Entity's overall strategy remains unchanged from the prior year. The capital structure of the Entity consists of equity comprising issued capital, reserves and retained earnings as disclosed in the financial statements.

16 CONTINGENT LIABILITIES

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

17 SUBSEQUENT EVENTS

There are no significant events since the end of the financial year and the date of this report, which is likely to effect, substantially the result of the operations or the financial position of the Company.

18 COMPARATIVE FIGURES

Previous year figures have been regrouped / reclassified where necessary to confirm to the presentation adopted in these financial statements. Figures have been rounded off to the nearest AED 1/-.

The accounting policies and notes on page 7 to 19 form an integral part of these financial statements.

The independent auditors' report is set forth

These financial statements have been approved and signed by the undersigned on 14 May 2025.

For Expleo Solutions LLC

Authorized Signatory