

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
FINANCIAL STATEMENTS
31 MARCH 2024

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
FINANCIAL STATEMENTS
31 MARCH 2024

CONTENTS	PAGE
DIRECTOR'S REPORT	1
INDEPENDENT AUDITORS' REPORT	2 - 2A
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE	4
STATEMENT OF CHANGES IN EQUITY	5
STATEMENT OF CASH-FLOWS	6
NOTES TO THE FINANCIAL STATEMENTS	7 - 13

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
DIRECTOR'S REPORT
31 MARCH 2024

The director have pleasure in submitting his report and the audited financial statements for the period from 29 November 2023 to 31 March 2024.

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 146,108/- for the period.

Events since the end of the period

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

Shareholder and his interest

The director as at 31 March 2024 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 period.

Authorized Signatory

15 May 2024

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Note	2024 AED
CURRENT ASSETS		
Accounts and other receivable	5	711,294
Due from related parties	7	1,146,777
Cash and cash equivalents	6	262,664
		<u>2,120,735</u>
TOTAL ASSETS		<u><u>2,120,735</u></u>
EQUITY FUNDS		
Share Capital	2	150,000
Retained Earnings		146,108
		<u>296,108</u>
CURRENT LIABILITIES		
Accounts and other payable	8	1,512,641
Due to related parties	7	311,986
		<u>1,824,627</u>
TOTAL EQUITY FUNDS AND LIABILITIES		<u><u>2,120,735</u></u>

The accounting policies and notes on page 7 to 13 form an integral part of these financial statements.

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

I have approved these financial statements, and confirm that I am responsible for them including the selection of accounting policies and making judgments underlying them. I also confirm that I have made available all accounting records and information for preparing these financial statements.

These financial statements have been approved and signed by the undersigned on 15 May, 2024.

For Expleo Solutions LLC

Authorized Signatory

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 29 NOVEMBER 2023 TO 31 MARCH 2024

		For the period from 29 November 2023 to 31 March 2024
	Note	AED
REVENUE	9	1,611,088
Cost of Sales	10	<u>(930,638)</u>
GROSS PROFIT		680,450
Administrative expenses	11	<u>(530,619)</u>
OPERATING PROFIT		149,832
Financial Charges	12	<u>(355)</u>
NET PROFIT FOR THE PERIOD		149,477
Other comprehensive (loss)		<u>(3,369)</u>
TOTAL COMPREHENSIVE INCOME		<u><u>146,108</u></u>

The accounting policies and notes on page 7 to 13 form an integral part of these financial statements.

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

I have approved these financial statements, and confirm that I am responsible for them including the selection of accounting policies and making judgments underlying them. I also confirm that I have made available all accounting records and information for preparing these financial statements.

These financial statements have been approved and signed by the undersigned on 15 May, 2024.

For Expleo Solutions LLC

Authorized Signatory

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 29 NOVEMBER 2023 TO 31 MARCH 2024

	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

The accounting policies and notes on page 7 to 13 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 15 May, 2024.

For Expleo Solutions LLC

Authorized Signatory

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
STATEMENT OF CASH-FLOWS
FOR THE PERIOD FROM 29 NOVEMBER 2023 TO 31 MARCH 2024

	For the period from 29 November 2023 to 31 March 2024 AED
Cash flows from operating activities	
Profit for the period	146,108
Operating profit before changes in operating assets and liabilities	<u>146,108</u>
 (Increase) in accounts and other receivable	 (711,294)
(Increase) in due from related parties	(1,146,777)
Increase in accounts and other payable	1,512,641
Increase in due to related party	311,986
	<u>(33,444)</u>
Net cash from operating activities (A)	<u><u>112,664</u></u>
 Cash flows from financing activities	
Share capital introduced	150,000
Net cash from financing activities (B)	<u><u>150,000</u></u>
 Net increase in cash and cash equivalents (A+B)	 <u><u>262,664</u></u>
Cash and cash equivalents at end of the period	<u><u>262,664</u></u>

The accounting policies and notes on page 7 to 13 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 15 May, 2024.

For Expleo Solutions LLC

Authorized Signatory

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 29 NOVEMBER 2023 TO 31 MARCH 2024

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 Requisites Trading under license # 1260847.

2 SHAREHOLDING

The shareholding of the company is as follows:

Name	Percentage	Number of shares	AED
Expleo Solutions Limited	100%	150	150,000
	100%	150	150,000

- 2.1 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 standards and amendments issued but not effective for the current annual period

Description	<u>Effective for annual periods beginning on or after</u>
Amendments to IFRS 9 – Prepayment Features with Negative Compensation	January 1, 2023
Annual Improvements to IFRS Standards 2015-2017 Cycle	January 1, 2023
IFRS 17 - Insurance Contracts	January 1, 2023

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

3.2 Impact of standards adopted in 2022

3.2.1 IFRS 15 Revenue from Contract with Customers

The effect of adoption of IFRS 15 on the balance sheet and retained earnings is not material and disclosed where applicable in the Notes to these financial statements.

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 29 NOVEMBER 2023 TO 31 MARCH 2024

3.2.2 IFRS 9 Financial Instruments

The Entity adopted IFRS 9 Financial Instruments from January 1, 2022. The effect of adoption of IFRS 9 on the balance sheet and retained earnings is not material and has been disclosed where applicable in the notes to these financial statements.

3.3.1 IFRS 16 Leases

IFRS 16 was issued in January 2016 and will supersede IAS 17 Leases. It will result in almost all leases being recognised on the balance sheet as the distinction between operating and finance lease is removed for leases. Under the new standard, both an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low value leases.

The standard is mandatory for financial years commencing on or after January 1, 2019. The Entity has decided not to adopt the standard before its effective date.

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 and domicile currency of the company.

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

c) Summary of Significant accounting Policies

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

i) Revenue recognition

IFRS 15 Revenue from Contracts from Customers.

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

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

Step 2 : Identify the performance obligations in the contract.

Step 3 :Determine the transaction price.

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

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

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 29 NOVEMBER 2023 TO 31 MARCH 2024

IFRS 15 Revenue from Contracts from Customers. (Continued)

Under **IFRS 15**, an entity recognise when (or as) a performance obligation is satisfied. i.e. when 'control' of the goods and services underlying the particular performance obligation is transferred to the customer.

ii) Cash and cash equivalents

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

iii) Financial assets

Receivables

All of the Company accounts receivable have been reviewed for indicators of impairment and none of the receivables were found to be impaired. Accounts receivable are non interest bearing. The Company's credit period is 120 days after which receivables are considered to be past due. Unimpaired accounts receivable are expected, on the basis of past experience, to be fully recoverable.

Receivables are written off when they are deemed uncollectible because of bankruptcy or other forms of receivership of the debtors. The assessment of expected credit losses on receivables takes into account credit-risk concentration, collective debt risk based on average historical losses, specific circumstances such as serious adverse economic conditions in a specific country or region and other forward-looking information.

Other financial assets

Other financial assets include both debt instrument and equity instruments. Debt instruments include those subsequently carried at amortized cost, those carried at FVTPL and those carried at FVTOCI.

Impairment of financial assets

The Entity assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables and due from related parties, the entity applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. The Entity's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, due to and loans from related parties.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trades payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at fair value and subsequently are measured at amortised cost using effective interest method.

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 29 NOVEMBER 2023 TO 31 MARCH 2024

Due to/ from 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.

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

Loans and other borrowings are recorded at the proceeds received, net of direct issue costs. Finance charges are accounted on accrual basis and are added to the carrying value of the instruments to the extent that they are not settled in the period in which they arise.

Derecognition of financial liabilities

The Entity derecognises financial liabilities when, and only when, the Entity's obligations are discharged, cancelled or they expire. 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

iv) Financial instruments

Financial assets and financial liabilities are recognized when, and only when, the company becomes a party to the contractual provisions of the instrument.

Financial assets are de-recognized when, and only when, the contractual rights to receive cash flows expire or when substantially all the risks and rewards of ownership have been transferred.

Financial liabilities are de-recognized when, and only when, they are extinguished, cancelled or expired.

Current and non-current financial assets that have fixed or determinable payments and for which there is no active market, which comprise trade and other receivables and related party receivables, are classified as receivables and stated at cost or, if the impact is material, at amortized cost using the effective interest method, less any write down for impairment losses plus reversals of impairment losses. Impairment losses and reversals thereof are recognized in the statement of comprehensive income.

Current and non-current financial liabilities, which comprise current and non-current bank borrowings, trade and other payables and partners' current account, are measured at cost or, if the impact is material, at amortized cost using the effective interest method.

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 29 NOVEMBER 2023 TO 31 MARCH 2024

2024
AED

5 ACCOUNTS AND OTHER RECEIVABLE

Advances to staff	311,986
Prepayments	52,672
Deposits	4,463
VAT	18
Accrued income	342,155
	<u>711,294</u>

6 CASH AND CASH EQUIVALENTS

Cash at bank	262,664
	<u>262,664</u>

7 RELATED PARTIES TRANSCATIONS

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. For the period ended March 31, 2024 the following are the details of related parties transactions.

7.1 Due from related party	<u>1,146,777</u>
ESL - DUBAI LLC	<u>1,146,777</u>
7.2 Due to related party	<u>311,986</u>
SQS BFSI FZE	<u>311,986</u>

All the related party transaction represent transfer of resources at book value to from other companies to facilitate day to day business operations of the company.

8 ACCOUNTS AND OTHER PAYABLE

Accrued salaries	113,037
Provisions	1,070,607
Advances from customers	328,998
	<u>1,512,641</u>

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 29 NOVEMBER 2023 TO 31 MARCH 2024

	For the period from 29 November 2023 to 31 March 2024 AED
9 REVENUE	
Revenue	1,611,088
	<u>1,611,088</u>
10 COST OF SALES	
Purchase and direct Expenses	930,638
	<u>930,638</u>
11 ADMINISTRATIVE EXPENSES	
Salary and other benefits	459,591
Legal, professional and visa charges	34,200
Rent, rate and taxes	36,828
	<u>530,619</u>
12 FINANCE CHARGES	
Bank Charges	355
	<u>355</u>
13 FINANCIAL INSTRUMENTS	
The management conducts and operates the business in a prudent manner, taking into account the significant risks to which the business is or could be exposed.	

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

Credit risk

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

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

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

EXPLEO SOLUTIONS LLC
DUBAI, U.A.E
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 29 NOVEMBER 2023 TO 31 MARCH 2024

14 FAIR VALUE

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

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

15 COMPARATIVE FIGURES

There are no comparative figures as these are the first financial statements covering the period from 29 November 2023 to 31st March 2024.

The accounting policies and notes on page 7 to 13 form an integral part of these financial statements.

These financial statements have been approved and signed by the undersigned on 15 May, 2024.

For Expleo Solutions LLC

Authorized Signatory