

DATAMATICS TECHNOLOGIES FZ-LLC

Financial Statements & Independent Auditor's Report

For the year ended 31st March 2025

Audited by

METHA RASHID
ACCOUNTANTS & AUDITORS

An Auditing Division of **R V G** Group

Financial Statements and Independent Auditor's Report for the year ended 31st March 2025

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DATAMATICS TECHNOLOGIES FZ-LLC

Financial Statements and Independent Auditor's Report for the year ended 31st March 2025

Company Details

DATAMATICS TECHNOLOGIES FZ-LLC

T2-9F-12, Amenity Centre - RAKEZ,
Al Hamra Industrial Zone-FZ,
RAK, United Arab Emirates.

Shareholder

DATAMATICS GLOBAL SERVICES LIMITED

Country of incorporation: India
DOI: 03 November 1987

Manager

ANUPAM BHARDWAJ

Nationality: Indian
DOB: 22 September 1973

Business Activity

Software house, Information technology consultants.

Date of Incorporation

17th March 2023

Licensing Authority

Ras Al Khaimah Economic Zone Authority

Banking Partner

Citibank National Association

TRN No.

104459345500001

DATAMATICS TECHNOLOGIES FZ-LLC

Financial Statements and Independent Auditor's Report for the year ended 31st March 2025

Directors' Report

The Directors present their report and the audited financial statements of the Company **DATAMATICS TECHNOLOGIES FZ-LLC** based in Ras Al Khaimah, United Arab Emirates for the year ended 31 March 2025.

Principal activity of the Company:

The principal activity of the company during the year was " **Software house, Information technology consultants**".

Results of operation:

The results of the company for the year ended 31 March 2025 are set out on page 12 of financial statements.

Role of the Directors:

The Directors act as the company's principal decision-making forum. They have the overall responsibility for leading and supervising the company and are accountable to shareholders for delivering sustainable shareholders' value through their guidance and supervision of the company's business. The directors set the strategies and policies of the company. They monitor the performance of the company's business, guide and supervise the management.

Risk management and internal control systems:

The company's risk management framework identifies, assesses, manages, and reports risk on a consistent and reliable basis. The directors consider the primary risk areas to be credit risk, interest rate risk, foreign exchange, and liquidity risk. The directors recognize their responsibility to ensure the existence of an internal control system for reviewing its continued effectiveness. And it has in place a management information system that facilitates financial and other information being periodically reported on transparent basis to the management and that in turns helps in initiating action to mitigate risks to the feasible extent.

Going concern:

The attached financial statements have been prepared on a going concern basis. While preparing the financial statements the management has assessed the company's ability to continue as a going concern. They had not come across any evidence to believe that any material uncertainties related to the events or conditions existed, which may cast significant doubt on the company's ability to continue as a going concern.



DATAMATICS TECHNOLOGIES FZ-LLC

Financial Statements and Independent Auditor's Report for the year ended 31st March 2025

Directors' Report (Continued)

After balance date events:

In the opinion of the directors, no transaction or event of a material and unusual nature, favorable or unfavorable has arisen in the interval between the end of the financial year and the date of this report, that is likely to affect substantially the result of the operations or the financial position of the company.

Auditor:

M/s. Metha Rashid Accountants & Auditors have been appointed as an External Auditor in the Annual General Meeting.

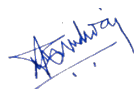
Statement of Directors' responsibilities:

The applicable requirements require the directors to prepare the financial statements for each financial year which present fairly in all material respects, the financial position of the company and its financial performance for the year then ended.

The audited financial statements for the year under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Directors confirm that sufficient care has been taken for the maintenance of proper and adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the company and enables them to ensure that the financial statements comply with the requirements of applicable statute. The directors also confirm that appropriate accounting policies have been selected and applied consistently in order that financial statements reflect fairly the form and substance of the transactions carried out during the year under review and reasonably present the Company's financial conditions and results of its operations.

Acknowledgement:

The Directors wish to place on record their sincere gratitude for the continuous support extended by various government departments, banks, customers, suppliers, employees as well as all the well-wishers.



ANUPAM BHARDWAJ

Manager

09 May 2025



Independent auditor's report to the shareholders of DATAMATICS TECHNOLOGIES FZ-LLC

Report on the audit of the Financial Statements

Qualified Opinion

In our opinion, **except the matters stated in basis of qualified opinion** the financial statements present fairly, in all material respects, the financial position of DATAMATICS TECHNOLOGIES FZ-LLC (the "Company") as of 31st March 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

The Company's financial statements comprise:

- the statement of financial position as of 31 March 2025.
- the statement of comprehensive income for the year then ended.
- the statement of cash flows for the year then ended.
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for Qualified opinion

We would like to draw attention to the following matters:

- Note 3.3, Going Concern, that the financial statements have been prepared on a going concern basis and all the assets and liabilities has shown on historical cost, but in our judgement, the use of the going concern assumption in the financial statements is inappropriate because in 10th April 2025 the Board of Directors of the branch has decided to close down the branch operations.
- Note 15, Revenue, that the company's turnover has exceeded the threshold limit of AED 375,000; however, it has not been registered with Federal tax authority for VAT.
- Companies' trade license expired on 16 March 2025 and company did not renew the same as it has passed board resolution for liquidating the company.

We conducted our audit in accordance with the 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.



Independent auditor's report to the shareholders of DATAMATICS TECHNOLOGIES FZ-LLC *(Continued)*

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Other Information

The Board of Directors and management are responsible for the other information. The other information comprises the Director's Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we concluded that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

Responsibilities of the management and those charged with the governance of the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and their preparation in compliance with the applicable laws of United Arab Emirates, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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.



Independent auditor's report to the shareholders of DATAMATICS TECHNOLOGIES FZ-LLC *(Continued)*

Auditors' responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 based on 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.



Independent auditor's report to the shareholders of DATAMATICS TECHNOLOGIES FZ-LLC *(Continued)*

Report on other legal & regulatory requirements

As required by Ras Al Khaimah Economic Zone Authority relates to the Free zone establishment, we report that:

- i. The financial statements have been prepared and comply, in all material respects, with the applicable provisions of the Ras Al Khaimah Economic Zone Authority relates to free zone establishment.
- ii. Based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Company has contravened during the year ended 31 March 2025 any of the applicable provisions of the Ras Al Khaimah Economic Zone Authority or of its Memorandum of Association which would materially affect its activities or its financial position as of 31 March 2025.

For: Metha Rashid Accountants & Auditors
Dubai, United Arab Emirates



Metha Rashid Ahmed AlMehairi

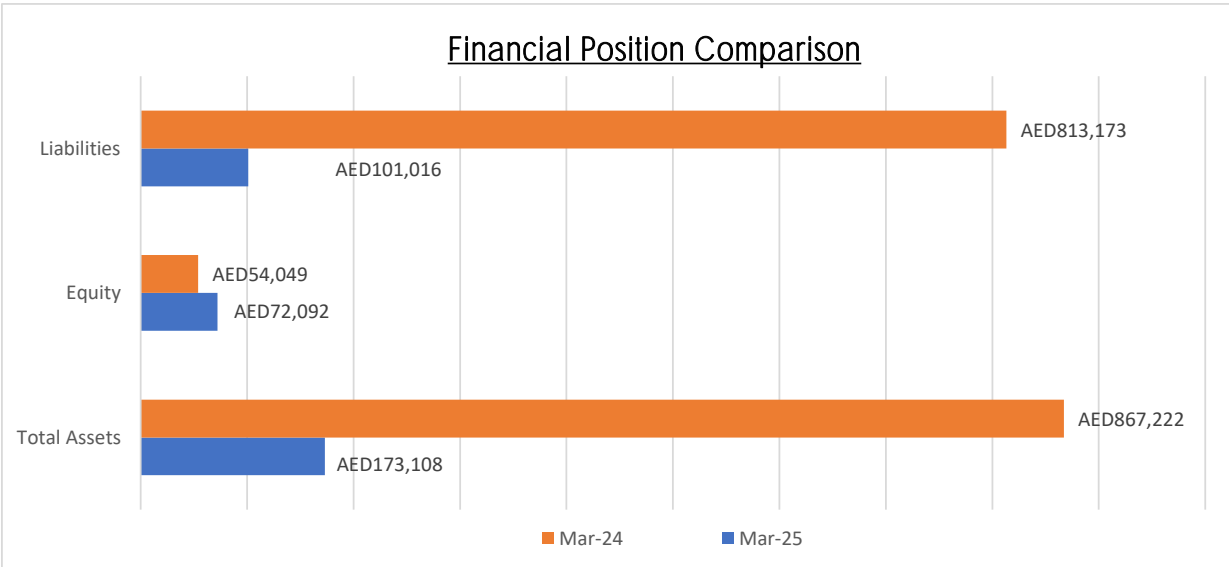
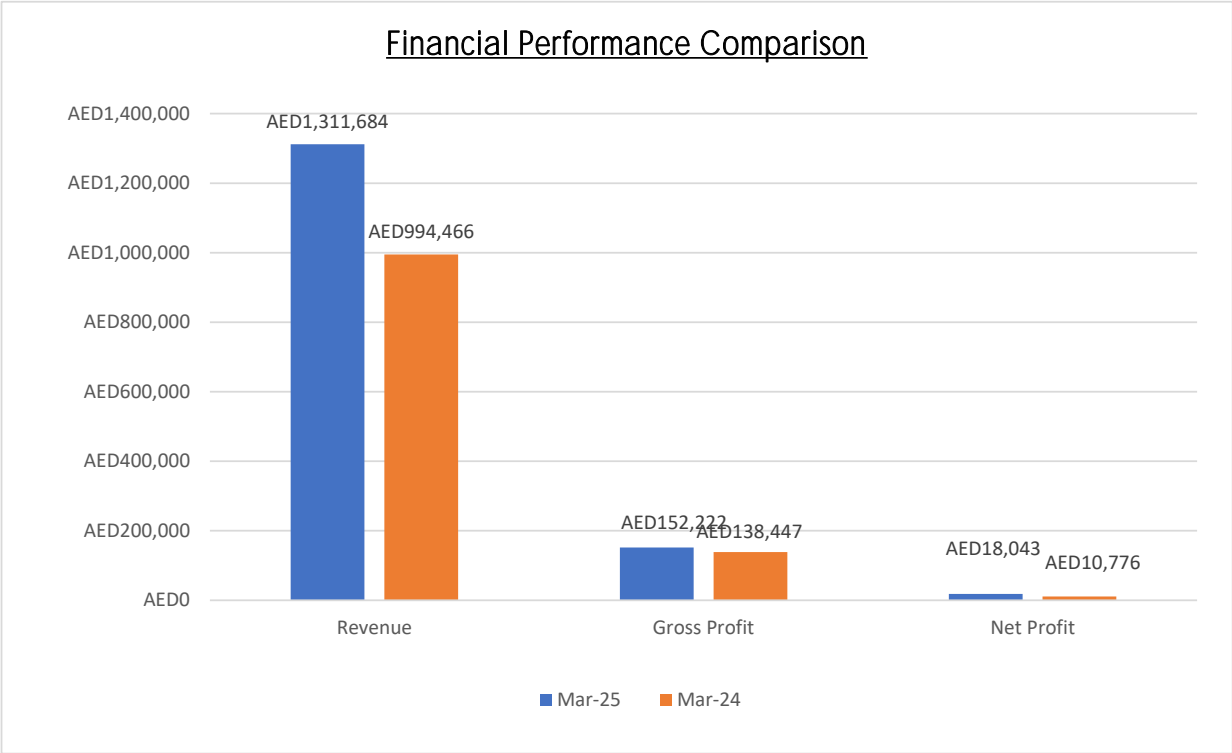
08 May 2025,

Auditor's Entry no: 5385

Dubai Economy & Tourism License no.; 1146496

MRAA/2025/511

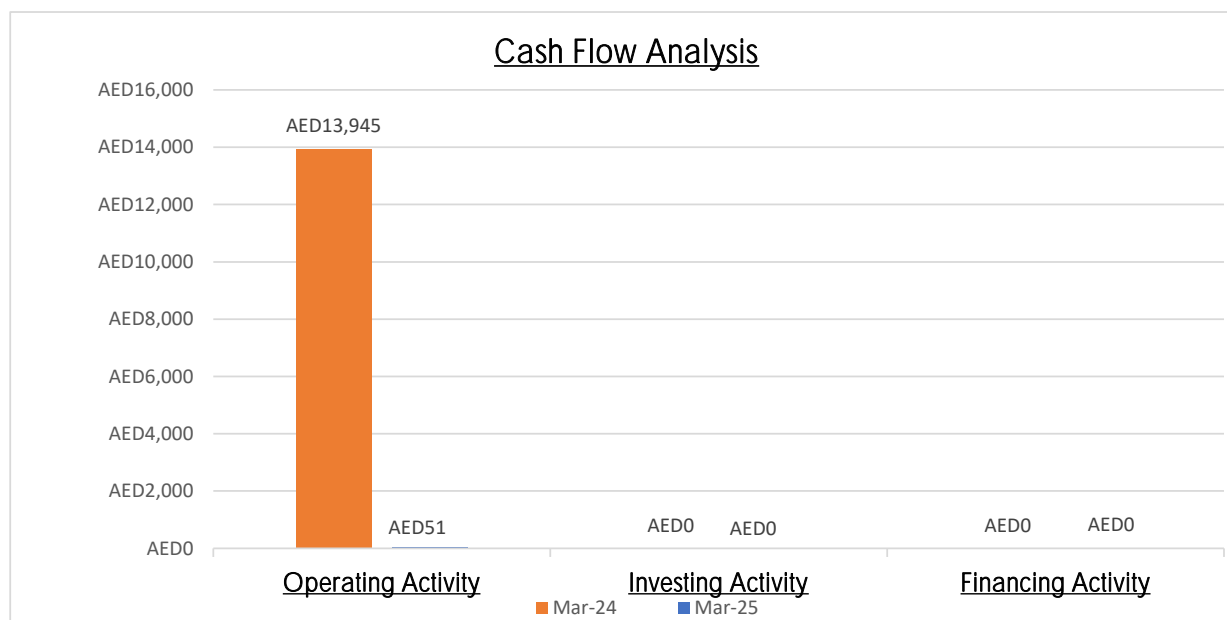
Financial Highlights
As at March 31, 2025
In Arab Emirates Dirham (AED)



Financial Highlights

As at March 31, 2025

In Arab Emirates Dirham (AED)



Accounting Ratios

Ratio	Measurement	Mar-25	Mar-24
Gross Profit Ratio	%	11.61%	13.92%
Net Profit Ratio	%	1.38%	1.08%
Current Ratio	Times	1.71	1.07
Quick Ratio	Times	0.30	0.96
Days Sales Outstanding	Days	0	71
Days Payable Outstanding	Days	0	1
Operating Cash Flow Ratio	Times	0.00	0.02

GLOSSARY

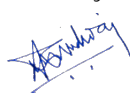
Gross Profit Ratio :	The gross profit ratio is a profitability measure calculated as the gross profit (GP) ratio to net sales. It shows how much profit the company generates after deducting its cost of revenues.
Net Profit Ratio :	The net profit percentage is the ratio of after-tax profits to net sales. It reveals the remaining profit after all costs of production, administration, and financing have been deducted from sales, and income taxes recognized.
Current Ratio :	It compares a company's current assets to its current liabilities , testing whether it sustainably balance assets, financing and liabilities.
Quick Ratio :	Quick ratio is also known as Acid test ratio is used to determine whether a company or a business has enough liquid assets which are able to be instantly converted into cash to meet short term dues. It is calculated by dividing the liquid current assets by the current liabilities.
Days Sales Outstanding :	Days sales outstanding (DSO) is the average number of days it takes a company to receive payment for a sale. A high DSO number suggests that a company is experiencing delays in receiving payments, which can result in a cash flow problem. A low DSO indicates that the company is getting its payments quickly.
Days Payable Outstanding :	Days payable outstanding (DPO) is the average number of days a company takes to pay invoices for goods and services obtained on credit. A high DPO is generally favourable because it means more cash is available to fund operations.
Operating Cash Flow Ratio :	The operating cash flow ratio measures the ability of a business to pay for its current liabilities from its reported operating cash flows. The best-case scenario is when the ratio reveals operating cash flows that are several multiples of the liabilities that must be settled. Conversely, a low ratio indicates that cash flows may not be sufficient to settle all obligations as they come due, which could indicate an impending solvency issue. This ratio is a good tool for lenders and creditors, especially when evaluating smaller or new borrowers.

DATAMATICS TECHNOLOGIES FZ-LLC
Ras Al Khaimah Economic Zone Authority,
Ras Al Khaimah - United Arab Emirates

Statement of Financial Position
As at March 31, 2025
(In Arab Emirates Dirham)

	Note	Mar-25 AED	Unaudited Mar-24 AED
Assets			
Non-current assets		-	-
Total non-current assets		-	-
Current assets			
Due from related parties	7.1	138,470	-
Trade and other receivables	8	20,642	853,277
Cash and cash equivalents	9	13,996	13,945
Total current assets		173,108	867,222
Total Assets		173,108	867,222
Equity and Liabilities			
Equity			
Share capital	11	50,000	50,000
Statutory reserve	12	1,804	-
Retained earnings		20,288	4,049
Equity funds		72,092	54,049
Total Shareholder's funds		72,092	54,049
Liabilities			
Non-current Liabilities		-	-
Total non-current Liabilities		-	-
Current liabilities			
Employee end of term benefits	13	12,868	-
Trade and other payables	14	11,913	6,961
Due to related parties	7.2	76,235	806,212
Total current liabilities		101,016	813,173
Total Liabilities		101,016	813,173
Total Equity and Liabilities		173,108	867,222

These financial statements were approved by the Director of the Company on May 09, 2025 and signed on its behalf by:



ANUPAM BHARDWAJ
Manager



The notes on pages 15 to 32 form an integral part of these financial statements.

DATAMATICS TECHNOLOGIES FZ-LLC
Ras Al Khaimah Economic Zone Authority,
Ras Al Khaimah - United Arab Emirates

Statement of Comprehensive Income
For the year ended March 31, 2025
(In Arab Emirates Dirham)

	Note	Mar-25 AED	Unaudited Mar-24 AED
Revenue	15	1,311,684	994,466
Cost of revenue	16	(1,159,462)	(856,019)
Gross profit		152,222	138,447
General and administrative expenses	17	(123,695)	(124,428)
Profit from operation		28,527	14,019
Finance charges	18	(10,484)	(3,243)
Net profit for the year		18,043	10,776
Other comprehensive income		-	-
Total Comprehensive income for the year		18,043	10,776



ANUPAM BHARDWAJ

Manager

The notes on pages 15 to 32 form an integral part of these financial statements.



DATAMATICS TECHNOLOGIES FZ-LLC
Ras Al Khaimah Economic Zone Authority,
Ras Al Khaimah - United Arab Emirates

Statement of Cash Flows
For the year ended March 31, 2025
(In Arab Emirates Dirham)

	Note	Mar-25 AED	Unaudited Mar-24 AED
Cash flows from operating activities			
Net profit for the year		18,043	10,776
Adjustments for :			
Provision for employee end of term benefits	13	12,868	-
Operating cash flow before changes in working capital		30,911	10,776
Changes in Working Capital :			
Decreases / (Increases) in Trade and other receivables	8	832,635	(731,088)
(Decreases)/ Increases in Trade and other payables	14	4,952	6,960
Decreases / (Increases) in Due from related parties	7.1	(138,470)	-
(Decreases) / Increases in Due to related parties	7.2	(729,977)	727,297
Cash generated from / (used) in operations		(30,860)	3,169
Net cash generated from / (used) in operations		51	13,945
Cash flows from investing activities		-	-
Net cash (outflows) from investing activities		-	-
Cash flows from financing activities:		-	-
Net cash inflows from financing activities		-	-
Net increase in cash and cash equivalents		51	13,945
Cash and cash equivalents at the beginning of the year		13,945	-
Cash and cash equivalents at the end of the year		13,996	13,945

Signature

ANUPAM BHARDWAJ
Manager

The notes on pages 15 to 32 form an integral part of these financial statements.



DATAMATICS TECHNOLOGIES FZ-LLC
Ras Al Khaimah Economic Zone Authority,
Ras Al Khaimah - United Arab Emirates

Statement of Changes in the Equity
For the year ended March 31, 2025
(In Arab Emirates Dirham)

	Share capital	Retained earnings	Statutory reserve	Total
Particulars	AED	AED	AED	AED
Balance as at April 1, 2023	50,000	(6,727)	-	43,273
Total comprehensive profit for the year	-	10,776	-	10,776
Balance as at March 31, 2024	50,000	4,049	-	54,049
Total comprehensive profit for the year	-	18,043	-	18,043
Transfer to statutory reserve	-	(1,804)	1,804	-
Balance as at March 31, 2025	50,000	20,288	1,804	72,092

[Signature]

ANUPAM BHARDWAJ

Manager

The notes on pages 15 to 32 form an integral part of these financial statements.



Notes to the Financial Statements
As at March 31, 2025

1 General information

- 1.1 DATAMATICS TECHNOLOGIES FZ-LLC (the "Company") incorporated in Ras Al Khaimah Economic Zone Authority, in Emirates of Ras Al Khaimah, United Arab Emirates holding licence no 47008392 in accordance with the provisions of the Ras Al Khaimah Economic Zone Authority. The Address of the registered office of the Company is T2-9F-12, Amenity Centre - RAKEZ, Al Hamra Industrial Zone-FZ, RAK, United Arab Emirates.

Shareholding structure of the company as on 31 March 2025 is mentioned as below:

Name	Country of Incorporation	No. of Shares	Value per share (AED)	Total Value (AED)	%
DATAMATICS GLOBAL SERVICES LIMITED	India	50	1,000	50,000	100%
		50		50,000	100%

The principal activity of company is "Software house, Information technology consultants".

The financial statements for the year ended March 31, 2025 were authorized for issue by the Board of Directors on May 09, 2025.

These financial statements are presented in Arab Emirates Dirham (AED).

2 Application of New & Revised Standards

a New standards, interpretations and amendments effective from January 1, 2024

New standards impacting in the company that will be adopted in the annual financial statements for the year ended 31 March 2025, and which have given rise to change in the company's accounting policies are;

- IFRS 16 Leases (Amendment - Liability in a Sale and Leaseback)
- IAS 1 Presentation of Financial Statements (Amendment - Classification of Liabilities as Current or Non current and Non-current Liabilities with Covenants)
- Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements

- b There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the entity has decided not to adopt early.



Notes to the Financial Statements
As at March 31, 2025

2 Application of New & Revised Standards *(Continued)*

The following amendments are effective from the period beginning 1 January 2025:

Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates

Lack of Exchangeability amends IAS 21 The Effects of Changes in Foreign Exchange Rates to require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.

The following amendments are effective from the period beginning 1 January 2026:

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

Amendments to the Classification and Measurement of Financial Instruments was issued in May 2024 in response to feedback received as part of the post-implementation review of the classification and measurement requirements in IFRS 9 Financial Instruments and related requirements in IFRS 7 Financial Instruments: Disclosures.

Annual Improvements to IFRS Accounting Standards – Amendments to:

IFRS 1 First-time Adoption of International Financial Reporting Standards;

IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;

IFRS 9 Financial Instruments;

IFRS 10 Consolidated Financial Statements; and

IAS 7 Statement of Cash flows

The following amendments are effective for the period beginning 1 January 2027:

IFRS 18 Presentation and Disclosure in Financial Statements: IFRS 18 Presentation and Disclosure in Financial Statements was issued in April 2024 to replace IAS 1 Presentation of Financial Statements. IFRS 18 aims to improve financial reporting by: requiring additional defined subtotals in the statement of profit or loss; requiring disclosures about management-defined performance measures; and adding new principles for the aggregation and disaggregation of items. The IASB did not reconsider all aspects of IAS 1 when developing IFRS 18, but instead focused on the statement of profit or loss. The IASB retained some paragraphs from IAS 1 in IFRS 18 and moved some paragraphs from IAS 1 to IAS 8 Basis of Preparation of Financial Statements and IFRS 7 Financial Instruments: Disclosures.

IFRS 19 Subsidiaries without Public Accountability: Disclosures was issued in May 2024. IFRS 19 permits some subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements. These entities apply the requirements in other IFRS Accounting Standards except for their disclosure requirements. Instead, these entities apply the requirements in IFRS 19.



Notes to the Financial Statements
As at March 31, 2025

3 Significant accounting policies

3.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) including International Financial Reporting Interpretation Committee (IFRIC) interpretations and applicable requirements of the laws in the UAE. These policies have been consistently applied to all the periods presented unless otherwise stated.

3.2 Basis of preparation

The financial statements of the entity have been prepared under the historical cost basis except for derivative financial instruments that are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The financial statements are presented in Arab Emirates Dirham (AED) and all values are rounded to the nearest one Dirham, except when otherwise indicated. The principal accounting policies adopted in the preparation of these financial statements are set out below.

3.3 Going concern

The financial statements have been prepared on a going concern basis but in 10th April 2025 the Board of Directors of the company has decided to close down the companies operations.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the Notes.

3.4 Foreign currency translation

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except as otherwise stated in the Standards. The financial statements are presented in Arab Emirates Dirhams ("AED"), which is the Company's functional and presentation currency.



Notes to the Financial Statements
As at March 31, 2025

3 Significant accounting policies *(Continued)*

3.5 Financial assets

The Company classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Regular purchases and sales of financial assets are recognized on trade-date, being the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Receivables are subsequently carried at amortized cost using the effective interest method.

3.6 Impairment of financial assets

The Company recognizes loss allowances for Expected Credit Losses (ECL) on the trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast directions of conditions at the reporting date, including time value of money where appropriate.

(a) Probability of default

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time of horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

(b) Loss Given default

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

(c) Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- > when there is a breach of financial covenants by the counter party; or
- > information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the company, in full (without taking into account any collaterals held by the company)



Notes to the Financial Statements
As at March 31, 2025

3 Significant accounting policies *(Continued)*

3.6 Impairment of financial assets *(Continued)*

Irrespective of the above analysis, the company considers that default has occurred when a financial asset is more than 60 days past due unless the company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Significant increase in credit risk

The company monitors all financial assets and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the company consider both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the company's historical experience and expert credit assessment including forward-looking information.

Write-off policy

The company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, for e.g.: when the debtor has been placed under liquidation or has entered into bankruptcy proceeding, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

3.7 Impairment of non-financial assets

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the **asset's** carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an **asset's** fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.



Notes to the Financial Statements
As at March 31, 2025

3 Significant accounting policies *(Continued)*

3.8 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

3.9 Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplies or not. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3.10 Share capital

Ordinary shares are classified as equity.

3.11 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 will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

3.12 Revenue recognition

IFRS 15 Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found across several Standards and Interpretations with IFRSs. It establishes a new five step model that will apply to revenue arising from contracts with customers.

Step 1: Identify contract(s) with a 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.



Notes to the Financial Statements
As at March 31, 2025

3 Significant accounting policies *(Continued)*

3.12 Revenue recognition *(Continued)*

Step 2: Identify 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 allocates 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: Recognize revenues as and when the Company satisfies a performance obligation;

The Company satisfies performance obligation and recognizes revenue over time, if one of the following criteria is met:

The Company's performance does not create an asset with an alternate use to the Company and the Company has as an enforceable right to payment for performance completed to date.

The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

When the Company satisfies a performance obligation by delivering the promised goods and services, it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized, this gives rise to a contract liability.

Revenue from contracts with customers for sale of goods and services is recognized when control of the 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. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customers. The Company generally recognizes revenue at a point in time upon supply of goods. Revenue is reduced for rebates and other similar allowances.



Notes to the Financial Statements
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4 Financial risk management

The Company's risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

4.1 Capital risk

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to the shareholders through optimisation of the debt and equity.

4.2 Credit risk

The Company is exposed to credit risk in relation to its monetary assets, mainly trade receivables, post dated cheques received and cash at bank. The Company has no other significant concentrations of credit risk. For trade receivables, the Company applies IFRS 9 simplified approach to measure expected credit losses which uses a expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been monitored based on shared credit risk characteristics and the days past due. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates.

Cash at bank are limited to high-credit-quality financial institutions.

The carrying amount of financial assets represents the maximum credit exposure at the reporting date. The maximum exposure to credit risk at the reporting date was:

	Mar-25 AED	Mar-24 AED
Cash and cash equivalents	13,996	13,945
Trade receivables, gross	-	194,785
Deposits	16,018	-
	<u>30,014</u>	<u>208,730</u>

4.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial asset or liability will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

Interest rate risk

The Company's only interest-bearing asset is bank deposits, which is invested in long-term deposits. The Company is exposed to interest rate risk primarily through borrowing funds at floating interest rates. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. The Company manages interest rate risk on borrowings by ensuring access to diverse funding and through monitoring interest rate movements with weekly reports.

The company do not have any deposits and borrowing from bank. Therefore, exposure to interest rate risk is negligible.



Notes to the Financial Statements
As at March 31, 2025

4 Financial risk management *(Continued)*

4.3 Market risk *(Continued)*

Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rate. The majority of the transactions and balances are in either UAE Dirham or US Dollar or currencies that are pegged to US Dollar. As the UAE Dirham is pegged to the US Dollar, balances in US Dollar are not considered to represent significant foreign currency risk.

4.4 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the business, management aims to maintain flexibility in funding by keeping committed credit lines available, including through related parties.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. Balances due within 12 months equal their carrying values as the impact of discounting is not material and they are mainly short-term in nature.

	Average effective interest rate	Within 1 year (AED)	1 to 5 years (AED)	More than 5 years (AED)	Total (AED)
<i><u>Int. bearing instruments</u></i>	-	-	-	-	-
<i><u>Non interest bearing instruments</u></i>					
Due to related parties		806,212	-	-	806,212
Trade and other payables		6,961	-	-	6,961
As at 31 Mar. 2024		813,173	-	-	813,173
<i><u>Int. bearing instruments</u></i>	-	-	-	-	-
<i><u>Non interest bearing instruments</u></i>					
Due to related parties		76,235	-	-	76,235
Trade and other payables		11,913	-	-	11,913
As at 31 Mar. 2025		88,148	-	-	88,148

These do not include employee benefit obligation as these are outside the scope of IFRS - 7 disclosures.



Notes to the Financial Statements
As at March 31, 2025

5 Critical accounting estimates and judgments

5.1 Capital risk management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return of capital to shareholders, issue new shares or sell assets to reduce debt.

5.2 Fair value estimation

At 31 March 2025, the carrying value of financial assets and financial liabilities approximate their fair values.

Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability; or in the absence of a principal market, in the most advantageous market for the asset or liability.

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

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.

Fair Value Hierarchy

Financial instruments comprise of financial assets and financial liabilities. The Company has financial instruments which are measured at fair value as at the reporting date and uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

The different levels are defined as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities and the price represents actual and regularly occurring market transactions.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The fair values of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The Company's financial instruments are primarily bank current accounts, bank deposits, trade receivables, bank borrowings, trade payables, due to related party and accrued expense. The fair values of the financial instruments are not materially different from their carrying values.



Notes to the Financial Statements
As at March 31, 2025

5 Critical accounting estimates and judgments *(Continued)*

5.3 Impairment of assets

Asset recoverability is an area involving management judgement, requiring assessment as to whether the carrying value of assets can be supported by the higher of, the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate, and the assets' fair value less costs to sell.

5.4 Impairment of trade receivables

The impairment charge reflects estimates of losses arising from the failure or inability of the parties concerned to make the required payments. The charge is based on the ageing of the customers' accounts, customers' defaults, the customers' credit worthiness and the historical write off experience. Changes to the estimated impairment charge may be required if the financial condition of the customers was to improve or deteriorate.

5.5 Inventories

Inventories are initially recognised at cost, and subsequently stated at lower of cost and net realisable value. Cost of inventories is determined on the first-in, first-out (FIFO) method. Net realisable value is based on the normal selling price, less the cost expected to be incurred on disposal. Goods in transit revalued at cost less impairment.

The company is involved in service industry therefore Inventory provision is not applicable.

6 Federal Corporate Tax (CT) regime

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting periods beginning on or after 1 June 2023. Generally, UAE businesses will be subject to a 9% CT rate, however a rate of 0% will be applied to taxable income not exceeding AED 375,000 or to certain types of entities, as prescribed by way of a Cabinet Decision.

As the Company's accounting year ends on 31 March, accordingly the effective implementation date for the Company will start from 01 April 2024 to 31 March 2025, with the first return to be filed on or before 31 December 2025.



Notes to the Financial Statements
As at March 31, 2025

6 Federal Corporate Tax (CT) regime (Continued)

6.1 Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

6.2 Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.



Notes to the Financial Statements
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7 Related party transactions and balances

Related parties comprise the Company's shareholders parent and ultimate parent, their subsidiaries, fellow subsidiaries, associates, and businesses controlled by the shareholders or over which they exercise significant management influence ("affiliates") and key management personnel. Pricing policies and terms of transactions are in accordance with agreements between these related parties and are approved by the Company's management in the ordinary course of business.

7.1	Due from related parties		Mar-25 AED	Mar-24 AED
		Nature of Relation		
	Datamatics Global Services FZ-LLC	Common ownership	138,470	-
			<u>138,470</u>	<u>-</u>

The Company has not made any allowance for bad or doubtful debts in respect of related party debtors nor has any guarantee been given or received during 2025 or 2024 regarding related party transactions.

7.2	Due to related parties		Mar-25 AED	Mar-24 AED
		Nature of Relation		
	Datamatics Global Services FZ-LLC	Common ownership	-	414,843
	Datamatics Global Services Limited	Holding Company	76,235	391,369
			<u>76,235</u>	<u>806,212</u>

7.3 Transactions with related party

The nature of significant related party transactions and the amounts involved were as follows:

		Mar-25 AED	Mar-24 AED
	Nature of transaction		
Datamatics Global Services FZ-LLC	Sales	801,547	573,603
Datamatics Global Services Limited	Contract fees	472,974	391,369



DATAMATICS TECHNOLOGIES FZ-LLC
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Notes to the Financial Statements
As at March 31, 2025

8	Trade and other receivables	Mar-25 AED	Mar-24 AED
	Trade receivables	-	194,785
	Accrued revenue	-	573,603
	Prepayments	4,624	69,828
	Advance to suppliers	-	14,673
	Deposits	16,018	-
	VAT receivables	-	388
		<u>20,642</u>	<u>853,277</u>

9	Cash and cash equivalents	Mar-25 AED	Mar-24 AED
	Bank Balance	13,996	13,945
		<u>13,996</u>	<u>13,945</u>

The disaggregation of cash and cash equivalents based on geographical area recognized during the period is as below:

	Mar-25 AED	Mar-24 AED
United Arab Emirates	13,996	13,945
	<u>13,996</u>	<u>13,945</u>

The disaggregation of Bank balance based on currency wise recognized during the period is as below:

	Mar-25 AED	Mar-24 AED
AED Account	13,542	13,375
USD Account	454	570
	<u>13,996</u>	<u>13,945</u>



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Notes to the Financial Statements
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10 Financial instruments by category

(a) Financial Assets

	Mar-25 AED	Mar-24 AED
Loans and receivables		
Trade and other receivables excluding prepayments and advances to supplier (Note8)	16,018	768,776
Cash and cash equivalents (Note 9)	13,996	13,945
	<u>30,014</u>	<u>782,721</u>

(b) Financial Liabilities

	Mar-25 AED	Mar-24 AED
Financial liabilities at amortized cost		
Trade and other payables (Note 14)	11,913	6,961
	<u>11,913</u>	<u>6,961</u>

11 Share capital

	Mar-25 AED	Mar-24 AED
Share capital	50,000	50,000
	<u>50,000</u>	<u>50,000</u>

12 Statutory reserve

In accordance with the MOA, the Company has established a statutory reserve by appropriating 10% of profit for each period until the reserve reached at least 50% of the share capital.

13 Employee benefit obligations

	Mar-25 AED	Mar-24 AED
As at 01 April	-	-
Charge for the year	12,868	-
As at 31 March	<u>12,868</u>	<u>-</u>

In accordance with the provisions of IAS 19, management has carried out an exercise to assess the present value of its obligations at March 31, 2025, using the projected unit credit method, in respect of employees' end of service benefits payable under the applicable labour laws. Under this method, an assessment has been made of an employee's end of services benefits which is due on March 31, 2025.



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Notes to the Financial Statements
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14	Trade and other payable	Mar-25 AED	Mar-24 AED
	Trade payables	-	2,073
	Other payables	11,913	4,888
		<u>11,913</u>	<u>6,961</u>

15	Revenue	Mar-25 AED	Mar-24 AED
	Provision of services	1,311,684	994,466
		<u>1,311,684</u>	<u>994,466</u>

The company has generated the revenue from services of "Software house, Information technology consultants".

The disaggregation of revenue based on geographical area recognized during the year is as below:

	Mar-25 AED
Sales within - UAE	1,311,684
	<u>1,311,684</u>

The disaggregation of revenue based on related party recognized during the period is as below:

	Mar-25 AED	%
Related party	801,547	61.11%
Other than related party	510,137	38.89%
	<u>1,311,684</u>	<u>100%</u>



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16	Cost of revenue	Mar-25 AED	Mar-24 AED
	Contract fees	472,974	391,369
	Direct salary expenses	673,620	464,650
	Gratuity expenses	12,868	-
		<u>1,159,462</u>	<u>856,019</u>

The disaggregation of Contract fees based on geographical area recognized during the year is as below:

	Mar-25 AED
Contract fees outside - UAE	472,974
	<u>472,974</u>

The disaggregation of Contract fees based on related party recognized during the period is as below:

	Mar-25 AED	%
Related party	472,974	100%
	<u>472,974</u>	<u>100%</u>

17	General and Administrative Expenses	Mar-25 AED	Mar-24 AED
	Rent expenses	51,255	53,452
	Legal, license and professional fees	34,774	66,678
	Insurance expenses	34,212	-
	Repair and maintenance expenses	3,454	4,298
		<u>123,695</u>	<u>124,428</u>



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18	Finance charges	Mar-25 AED	Mar-24 AED
	Bank charges	10,484	3,229
	Foreign Exchange Loss	-	14
		<u>10,484</u>	<u>3,243</u>

19 Corresponding figures

This is the company's first year of audit, hence the corresponding figures for the year from 1 April 2023 to 31 March 2024 are unaudited.



ANUPAM BHARDWAJ
Manager

