

EVOLUTIONARY SYSYTEMS QATAR W.L.L
DOHA - STATE OF QATAR

FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025

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**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
EVOLUTIONARY SYSTEMS QATAR W.L.L****Report on the Audit of the Financial Statements**PO.Box: 206070
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www.grantthornton.qa**Qualified Opinion**

We have audited the financial statements of **Evolutionary Systems Qatar W.L.L.** (the Company), which comprise the statement of financial position as at March 31, 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2025, its financial performance and its cash flows for the year then ended in accordance with in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board (IASB).

Basis for Qualified Opinion

As disclosed in Note 16.3 to the financial statements, the Company recognized an expense of QAR 361,984 in the statement of profit or loss for the year ended March 31, 2025, representing capital gains tax arising from a share transfer transaction of the Company's shares, paid by the Company on behalf of the previous shareholders. In our view, this expense was not incurred for the purpose of the Company's business and, therefore, should not have been recognized in the financial statements of the Company. Had the appropriate accounting treatment been applied, profit before tax and total assets would have been higher by QAR 361,984 as at and for the year ended March 31, 2025.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by IASB, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgement 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on Other Legal and Regulatory Requirements

Further as required by Qatar Commercial Companies Law Number 11 of 2015 (amended by Law no. 8 of 2021), we report that;

- Except as mentioned in the Basis for Qualified Opinion section above, we have obtained all the information, we considered necessary for the purpose of our audit;
- Except as mentioned in the Basis for Qualified Opinion section above, the Company has maintained proper books of accounts and financial statements are in agreement therewith;
- Company does not have inventories as at March 31, 2025;
- The financial information included in the board of directors report is in agreement with the books and records of the Company and;
- Except as mentioned above, nothing has come to our attention which causes us to believe that the Company has breached any of the provision of the Qatar Commercial Companies Law of 11 of 2015 (amended by Law no. 8 of 2021), or of its Article of Association, which would materially affect the reported results of its operations or its financial position as at March 31, 2025.



Dr. Sultan Hassan Al Dosari

Dr. Sultan Al Dosari & Partners Chartered Accountants
Member Firm of Grant Thornton International

Doha, State of Qatar

License no: 109

QFMA Auditor License No. 1201910

15 JUL 2025



EVOLUTIONARY SYSTEMS QATAR W.L.L

Statement of Financial Position

As at March 31, 2025

(All amounts expressed in Qatari Riyal unless otherwise stated)

	Note	As at March 31, 2025	As at March 31, 2024
Assets			
Non-current assets			
Property and equipment	4	4,913	6,546
Deferred tax asset	5	222,902	260,356
Total non-current assets		<u>227,815</u>	<u>266,902</u>
Current assets			
Trade and other receivables	6	3,141,796	3,462,722
Due from related parties	12	689,922	689,922
Loan to related parties	12	329,390	-
Cash and bank balances	7	2,253,128	2,818,911
Total current assets		<u>6,414,236</u>	<u>6,971,555</u>
Total assets		<u>6,642,051</u>	<u>7,238,457</u>
Equity and liabilities			
Equity			
Share capital	8	200,000	200,000
Statutory reserve	9	100,000	100,000
Other comprehensive income		132,307	137,552
Retained earnings		3,270,499	3,021,515
Total equity		<u>3,702,806</u>	<u>3,459,067</u>
Non - current liabilities			
Employees' end of service benefits	10(a)	72,711	79,222
Employees' compensated absence	10(b)	5,953	13,147
Total non current liabilities		<u>78,664</u>	<u>92,369</u>
Current liabilities			
Trade and other payables	11	339,765	342,850
Employees' end of service benefits	10(a)	8,560	9,537
Employees' compensated absence	10(b)	876	1,933
Borrowings from related party	12	-	386,784
Due to related parties	12	2,504,775	2,925,812
Income tax payable		6,605	20,105
Total current liabilities		<u>2,860,581</u>	<u>3,687,021</u>
Total liabilities		<u>2,939,245</u>	<u>3,779,390</u>
Total equity and liabilities		<u>6,642,051</u>	<u>7,238,457</u>

CONTINGENCIES AND COMMITMENTS

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Manish Nahata
General Manager



The annexed notes form an integral part of these financial statements.



EVOLUTIONARY SYSTEMS QATAR W.L.L
Statement of Profit or Loss and Comprehensive Income
For the year ended March 31, 2025

(All amounts expressed in Qatari Riyal unless otherwise stated)

	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue	13	5,566,572	5,420,968
Cost of revenue	14	(4,424,517)	(4,142,327)
Gross profit		1,142,055	1,278,641
Other income	15	1,306	-
General and administration expenses	16	(856,403)	(977,813)
Profit before tax		286,958	300,828
Income tax	17	-	-
Deferred tax	5	(37,974)	(63,127)
Profit for the year		248,984	237,701
Remeasurement (loss)/gain		(5,765)	32,346
Deferred tax		520	(2,912)
Other comprehensive (loss) / income		(5,245)	29,434
Total comprehensive income		243,739	267,135

Manish Nahata

Manish Nahata
General Manager



The annexed notes form an integral part of these financial statements.

EVOLUTIONARY SYSTMS QATAR W.L.L

Statement of Cash Flows

For the year ended March 31, 2025

(All amounts expressed in Qatari Riyal unless otherwise stated)

	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash flows from operating activities :			
(Loss)/profit before tax		286,958	300,828
Adjustments:			
Depreciation	16	5,584	6,474
Provision for expected credit loss	16	81,503	422,980
Provision/(reversal) for employees' end of service benefits	10(a)	40,501	51,096
Reversal for compensated absences	10(b)	(8,251)	(2,408)
		406,295	778,970
Changes in working capital			
decrease in trade and other receivable	6	239,422	2,294,670
(decrease) in due to related party	12	(421,037)	(397,562)
(decrease) / increase in trade and other payable	11	(3,085)	9,928
Cash generated from operating activities		221,595	2,686,006
Income tax paid		(13,496)	(37,407)
Employees' end of service benefits paid		(53,758)	(100,132)
Net cash flows from operating activities		154,341	2,548,467
Cash flows from investing activities:			
Additions to property and equipment	4	(3,951)	(3,550)
Net cash flows used in investing activities		(3,951)	(3,550)
Cash flows from financing activities:			
Loan to related party		(329,390)	-
Repayment of related party borrowings	12	(386,783)	(347,558)
Net cash flows used in financing activities		(716,173)	(347,558)
Net changes in cash and cash equivalents		(565,783)	2,197,359
Cash and cash equivalents at the beginning of the year		2,818,911	621,552
Cash and cash equivalents at the end of the year		2,253,128	2,818,911


Manish Nahata
General Manager



The annexed notes form an integral part of these financial statements.



EVOLUTIONARY SYSYTEMS QATAR W.L.L

Statement of Changes in Equity

For the year ended March 31, 2025

(All amounts expressed in Qatari Riyal unless otherwise stated)

	Share capital	Legal reserve	Acturial gain/ (loss) on employers end of service benefit	Retained earnings	Total
At March 31, 2023	200,000	100,000	108,118	2,783,814	3,191,932
Transferred to gratuity OCI	-	-	29,434	-	29,434
Profit for the year	-	-	-	237,701	237,701
At March 31, 2024	200,000	100,000	137,552	3,021,515	3,459,067
Transferred to gratuity OCI	-	-	(5,245)	-	(5,245)
Profit for the year	-	-	-	248,984	248,984
At March 31, 2025	200,000	100,000	132,307	3,270,499	3,702,806

Manish Nahata

Manish Nahata
General Manager



The annexed notes form an integral part of these financial statements.



1. CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES

Evolutionary Systems Qatar W.L.L. (the "Company") is registered as a limited liability company with the Ministry of Commerce and Industry under the Commercial Registration No. 55571 dated May 3, 2012. The Company's registered office is located at P.O. Box 7282, Doha, State of Qatar.

The Company's principal activities include information technology consulting.

2. BASIS OF PREPARATION

The financial statements of the company have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board ("IASB") and applicable requirements of Qatar Commercial Companies' Law No. 11 of 2015.

The financial statements have been prepared under the historical cost convention.

Functional and presentation currency

The financial statements are presented in Qatari Riyals (QR), which is the Company's functional and presentational currency.

Adoption of new and revised Standards

During the current period, the company adopted the below amendments and improvements to the International Financial Reporting Standards that are effective for annual periods beginning on April 01, 2024:

Standards	Effective date
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	January 01, 2024
IFRS S2 Climate-related Disclosures	January 01, 2024

Amendments

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	January 01, 2024
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	January 01, 2024
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	January 01, 2024

The adoption of the above did not result in any changes to previously reported net profit or equity of the Company.

Standards issued but not yet effective

A number of standards and amendments to standards are issued but not yet effective and the Company has not adopted these in the preparation of these financial statements. The below standards may have a significant impact on the Company's financial statements, however, the Company is currently evaluating the impact of these standards. The Company will adopt the below new standards on the respective effective dates.

Standard	Effective for annual periods beginning on or after
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027
Amendments	
Lack of Exchangeability (Amendments to IAS 21)	January 01, 2025
Amendments to the SASB standards to enhance their international applicability	January 01, 2025
Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments	January 01, 2026
Annual Improvements to IFRS Accounting Standards — Volume 11	January 01, 2026

3. MATERIAL ACCOUNTING POLICIES

The principal accounting policies of the Company applied in the preparation of the financial statements are set out below.

Revenue

Sale of services

Revenue from providing services is recognized in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual labour hours spent relative to the total expected labour hours.

The Company has adopted IFRS 15 effective 1 January 2019 and as a result, the Company has applied the following accounting policy in the preparation of its financial statements.

Revenue from contracts with customers

The Company recognizes revenue from contracts with customers based on a five step model as set out in IFRS 15:

- Step 1. Identify the 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.
- 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. Recognize revenue when (or as) the Company satisfies a performance obligation.

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

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

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 or 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 is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. Revenue is recognized in the statement of comprehensive income to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

Expense recognition

Expenses are recognized in profit or loss when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen and can be measured reliably. An expense is recognized immediately in profit or loss when an expenditure produces no future economic benefits, or when, and to the extent that, future economic benefits do not qualify or cease to qualify for recognition in the statement of financial position as an asset, such as in the case of asset impairments.

Income tax

Income tax expense comprises current and deferred tax attributed to the non-qatari shareholder of the Company. It is recognized in profit or loss.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year attributed to the non-GCC shareholder(s) of the Company, and any adjustments to the tax payable or receivable in respect of previous years. It is calculated on the basis of the tax laws enacted (Income Tax Law No. 24 of 2018) or substantively enacted at the reporting date in the State of Qatar. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation.

Property and equipment

Property and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

Office equipment	15%
Furniture and fixtures	15%
Motor vehicles	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is company policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

EVOLUTIONARY SYSTEMS QATAR W.L.L.
Notes to the Financial Statements
For the year ended March 31, 2025
(All amounts expressed in Qatari Rival unless otherwise stated)

In determining fair value less cost to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company makes an estimate of recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case the carrying amount of the asset is increased to its recoverable amount.

That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had not impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of comprehensive income unless the asset is carried at re-valued amount, in which case the reversal is treated as a revaluation increase.

Financial assets

Initial recognition and measurement

Account receivable are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset unless it is an account receivable without a significant financing component or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. Account receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement of financial assets- policy applicable from 1 January 2019.

On initial recognition, a financial asset is classified at amortized cost- if it meets both of the following conditions and is not designated as at FVTPL;

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

On initial recognition, the Company may irrecoverably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTOCI, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Company has classified on initial recognition its accounts and other receivables, contract assets, due from a related party and its cash at bank at amortized cost. The Company does not hold any other financial assets.

Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual cash flows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management; the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

EVOLUTIONARY SYSTEMS QATAR W.L.L.

Notes to the Financial Statements

For the year ended March 31, 2025

(All amounts expressed in Qatari Riyal unless otherwise stated)

- how managers of the business are compensated- e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Assessment whether contractual cash flows are Solely Payments of Principal and Interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument.

This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers: contingent events that would change the amount or timing of cash flows; terms that may adjust the contractual coupon rate, including variable-rate features; prepayment and extension features; and terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Subsequent measurement and gains and losses

Financial assets at amortized cost

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

Impairment

The Company recognizes loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortized cost.

Loss allowances for Account and other receivables are always measured at an amount equal to lifetime ECLs. The Company considers a financial asset to be in default when:

- customer is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or the financial asset is more than 360 days past due

The Company considers bank balances to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Company considers this to be Baa3 or higher per Moody's Rating Agency.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the

EVOLUTIONARY SYSTEMS QATAR W.L.L.

Notes to the Financial Statements

For the year ended March 31, 2025

(All amounts expressed in Qatari Riyal unless otherwise stated)

instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

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

Evidence that a financial asset is credit-impaired induces the following observable data:

- significant financial difficulty of the customer or issuer;
- a breach of contract such as a default or being more than 360 days past due; or the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise
- is probable that the customer will enter bankruptcy or other financial reorganization; and the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

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

Write-off

Financial assets measured at amortized cost

The Company considered evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets were individually assessed for impairment. Those found not to be impaired were then collectively assessed for any impairment that had been incurred but not yet individually identified.

Assets that were not individually significant were collectively assessed for impairment. Collective assessment was carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Company used historical information on the timing of recoveries and the amount of loss incurred, and made an adjustment if current economic and credit conditions were such that the actual losses were likely to be greater or lesser than suggested by historical trends. An impairment loss was calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses were recognized in the statement of comprehensive income and reflected in an allowance account.

When the Company considered that there were no realistic prospects of recovery of the asset, the relevant amounts were written off. If the amount of impairment loss subsequently decreased and the decrease was related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss was reversed through the statement of comprehensive income.

Accounts and other receivables

Accounts and other receivables are stated net of allowance for amounts estimated to be non-collectible. An estimate for doubtful Accounts is made when the collection of the full amount is no longer probable. Bad debts are written-off when there is no possibility of recovery.

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalent include cash on hand and cash at bank.

EVOLUTIONARY SYSTEMS QATAR W.L.L.
Notes to the Financial Statements
For the year ended March 31, 2025
(All amounts expressed in Qatari Riyal unless otherwise stated)

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at FVPL, financial liabilities at FVTOCI and amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include due to related parties and accounts and other payables only.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Amortized cost

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in the statement of comprehensive income when the liabilities are derecognized as well as through the effective interest amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest amortization is included as finance costs in the statement of comprehensive income.

Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized where:

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

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

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity.

EVOLUTIONARY SYSTEMS QATAR W.L.L.

Notes to the Financial Statements

For the year ended March 31, 2025

(All amounts expressed in Qatari Riyal unless otherwise stated)

Employees' end of service benefits

The Company provides end of service benefits to its expatriate employees in accordance with employment contracts and the Qatar Labor Law No. 14 of 2004. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. The resulting charge is included within the "Staff cost" in the statement of comprehensive income. The Company has no further payment obligations once the benefits have been paid. The benefits are recognized when they are due. This has been presented as other noncurrent liability in the statement of financial position.

Accounts and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Accruals are presented as current liabilities unless payment is not due within 12 months after the reporting period. The amounts are unsecured and are usually paid within 30 days of recognition. Accounts and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

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 can be reliably estimated. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The increase in the provision due to the passage of time is recognized as interest expense. Provisions are reviewed annually to reflect current best estimates of the expenditure required to settle the obligations.

Leases

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

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

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

The Company as a lessee

The Company recognizes right-of-use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability

EVOLUTIONARY SYSTEMS QATAR W.L.L.

Notes to the Financial Statements

For the year ended March 31, 2025

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adjusted for any lease payment made at or before the commencement date, plus any initial direct cost incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right to use the assets is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The estimated useful life of right-of-use assets are determined on the same basis of as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain premeasurements of the lease liability.

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

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

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

Company presents the right-of-use assets that do not meet the definition of investment property in "Property and equipment" and lease liabilities in "lease liabilities" in the statement of financial position.

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

Payments associated with short-term leases and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Offsetting financial instruments

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

Subsequent events

Post year-end events that provide additional information about the Company's financial position at reporting date (adjusting events) are reflected in the financial statements when material. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

Current versus non-current classification

The Company presents assets and liabilities based on current / non-current classification. An asset is current when it is:

Expected to be realized or intended to be sold or consumed in normal operating cycle,

- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when:

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

The Company classifies all other liabilities as non-current

EVOLUTIONARY SYSYTEMS QATAR W.L.L**Notes to the Financial Statements****As at March 31, 2025**

(All amounts expressed in Qatari Riyal unless otherwise stated)

4 Property and equipment

	Office equipment	Furniture and fixtures	Motor vehicles	Total
Cost:				
At March 31, 2023	40,636	1,700	97,000	139,336
Additions during the year	3,550	-	-	3,550
At March 31, 2024	44,186	1,700	97,000	142,886
Additions during the year	3,950	-	-	3,950
At March 31, 2025	48,136	1,700	97,000	146,836
Depreciation:				
At March 31, 2023	31,165	1,700	97,000	129,865
Charged during the year	6,474	-	-	6,474
At March 31, 2024	37,639	1,700	97,000	136,339
Charged during the year	5,584	-	-	5,584
At March 31, 2025	43,223	1,700	97,000	141,923
Net book amount:				
At March 31, 2025	4,913	-	-	4,913
At March 31, 2024	6,546	-	-	6,546

EVOLUTIONARY SYSTMS QATAR W.L.L
Notes to the Financial Statements
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(All amounts expressed in Qatari Riyal unless otherwise stated)

5 Deferred tax asset	March 31, 2025	March 31, 2024
Deferred tax assets on account of:		
Bad debt provisions	158,618	155,829
Gratuity	20,400	21,592
Leave encashment	615	1,357
Un-utilized tax losses	67,228	107,103
Other comprehensive income	(13,084)	(13,604)
Unrealised Gain/Loss	(10,875)	(11,921)
Net deferred tax assets	222,902	260,356
Movement in Deferred tax		
Opening as on April 1,	260,356	326,395
Charge in Profit and Loss	(37,974)	(63,127)
Charge in OCI	520	(2,912)
Closing as on March 31	222,902	260,356

6 Trade and other receivables		
Trade receivables		2,725,192
Contract assets		2,331,542
Less: Provision for expected credit loss	6.1	(2,035,638)
Net trade receivables		2,839,138
Margin on financial guarantee		425,335
Refundable deposits		5,500
Prepayments		4,274
		10,791
		3,141,796
		3,462,722

6.1 The table below shows the movement of the provision for expected credit loss of trade receivables:

Opening balance	2,035,638	2,139,891
Provision made during the year	251,755	422,980
Write-off of receivables	(354,683)	(527,233)
Reversal of provision	(170,252)	-
Closing balance	1,762,458	2,035,638

As at March 31, the ageing of trade receivables was as follows:

	Total	Neither past due or impaired	1-90 days	91-180 days	181-360 days	More than 360 days
2025	2,009,524	150,403	1,024,161	161,633	17,338	655,989
2024	2,725,192	282,702	879,749	841,045	97,442	624,254

Unimpaired trade receivables are expected, on the basis of past experience, to be fully recoverable. It is not the practice of the Company to obtain collateral over receivables.

As at March 31, the ageing of contract assets was as follows:

	Total	Neither past due or impaired	1-90 days	91-180 days	181-360 days	More than 360 days
2025	2,592,072	-	344,491	450,516	315,199	1,481,866
2024	2,331,542	-	309,866	405,234	283,518	1,332,923

7 Cash and bank balances	March 31, 2025	March 31, 2024
Cash in hand	3,654	12,001
Bank balances*	2,249,474	2,806,910
	2,253,128	2,818,911

*Balance with bank is held in current account in local currency.

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	No. of shares
Authorised and issued				
Ordinary shares of (QR 1,000) each	200	200,000	200	200
Total	200	200,000	200	200
The shares are distributed as follows:				
Name	Nationality/Country of incorporation		No. of Shares	No. of Shares
Mohamed Ahmed Abdullah Ali	Qatari		102	102
Mastek Enterprise Solutions Private Limited	India		98	98
			200	200

EVOLUTIONARY SYSTMS QATAR W.L.L

Notes to the Financial Statements

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8.1 As at March 31, 2025, the legal entitlement of shares, as evidenced by the commercial registration document, remains with Evolutionary Systems Private Limited India, and the process of transferring the shares is ongoing.

9 STATUTORY RESERVE

In accordance with the requirements of the Qatar Commercial Companies Law No. 11 of 2015 as amended by law of 2021 and the Company's Articles of Association, an amount equal to 10% of the net profit for the year should be transferred to a legal reserve each year until this reserve is equal to 50% of the paid up share capital. The reserve is not available for distribution except in the circumstances stipulated in the above law and the company's articles of association. No transfer was made in the legal reserve during the year as the Company has reached the prescribed amount.

10 Employee benefits liabilities

10(a) Employees' end of service benefits

	Note	March 31, 2025	March 31, 2024
Opening balance		88,759	170,142
Provision/(reversal) during the year	16	46,270	18,749
Employees' end of service benefits paid		(53,758)	(100,132)
Closing balance		81,271	88,759
Transferred to current portion		8,560	9,537
Non current portion		72,711	79,222

The employees' benefit obligation as at the balance sheet date for the reporting year are as follows:

Present value of defined benefit obligation	81,271	88,763
Fair value of plan assets	-	-
Unfunded provision/liability recognized and to be recognized in balance sheet	81,271	88,763

Movement in the present value of defined benefit obligation

Present value of defined benefit	88,763	170,142
Interest cost	4,552	8,622
Current service cost	35,949	42,477
Benefit paid	(53,758)	(100,132)
Actuarial gain / (loss)	5,765	(32,346)
Present value of defined benefit obligation at the end of the year	81,271	88,763

Amount recognized in profit and loss account:

Current service cost	35,949	42,477
Interest cost	4,552	8,622
Total defined benefit cost included in the statement of profit or loss	40,501	51,099

Amount recognized in other comprehensive income:

Effect of experience adjustments	5,200	(31,819)
Effect of changes in financial assumption	565	(527)
Effect of change in demographic assumptions	-	-
Total remeasurements recognized in other comprehensive income	5,765	(32,346)

Principal actuarial assumptions used were as follows:

Discount rate per annum	5.33% ^a	5.42% ^a
Expected rate of increase in eligible salary per annum	4.00% ^a	4.00% ^a
Retirement age in years	60	60
Mortality table	Saudi Arabia mortality rate	Saudi Arabia mortality rate
Employee turn over rate		
All ages	10% ^a	10% ^a

Sensitivity Analysis

	March 31, 2025		March 31, 2024	
	Discount	Salary Escalation	Discount	Salary Escalation
Defined benefit obligation on increase in 50 bps	78,214	84,560	85,147	92,688
Impact of increase in 50 bps on DBO	-3.76% ^a	4.05% ^a	-4.07% ^a	4.42% ^a
Defined benefit obligation on decrease in 50 bps	84,533	78,161	92,652	85,082
Impact of decrease in 50 bps on DBO	4.02% ^a	-3.83% ^a	4.38% ^a	-4.15% ^a

EVOLUTIONARY SYSTYEMS QATAR W.L.L

Notes to the Financial Statements

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10(b) Employees' compensated absence

Opening balance	15,080	17,488
(Reversal) during the year	(8,251)	(2,408)
Closing balance	6,829	15,080
Transferred to current portion	876	1,933
Non current portion	5,953	13,147

Principal actuarial assumptions used were as follows:

Discount rate per annum	5.53% ^a	5.42% ^a
Expected rate of increase in eligible salary per annum	4.00% ^a	4.00% ^a
Retirement age in years	60	60
Mortality table	Saudi Arabia mortality rate	Saudi Arabia mortality rate
Employee turn over rate		
All ages	10% ^a	10% ^a

11 Trade and other payables

	March 31, 2025	March 31, 2024
Contract Liabilities	120,423	63,218
Accruals	161,768	229,964
Other payables	57,574	49,668
	339,765	342,850

12 Related parties

Related parties represent major partners and key management personnel of the company and companies in which they are major owners. Pricing policies and terms of these transactions on mutually agreed terms.

(i) Transactions with related parties during the year

County	Nature of transaction	For the year ended March 31, 2025	For the year ended March 31, 2024
Mastek Enterprise Solutions Private Limited	India Services received	2,543,008	1,953,625
Mastek Arabia FZ-LLC	Dubai Services received	365,845	155,375
Evolutionary Systems Consultancy LLC	Abu Dhabi Services received	123,657	144,277
Mastek Inc.	United States of America Services received	41,291	-
Evolutionary Systems Consultancy LLC	Abu Dhabi Interest income	1,306	-
Mastek Systems Company Limited	United Kingdom Interest expense	11,088	15,718
Mastek Limited	India Other Expenses	-	1,769
Mohit Monga	Qatar Managerial remuneration	-	176,746
		3,086,195	2,447,510
Mr. Mohit Monga & Relative	Payment for CCPS Buyout of 3rd tranche.	-	148,060

(ii) Due from a related parties

	Nature of relationship	March 31, 2025	March 31, 2024
Mohammed Ahmed A A Alsheeb	Partner	102,000	102,000
Trans American Information Systems INC	Affiliate	587,922	587,922
		689,922	689,922

(iii) Due to related parties

			March 31, 2025	March 31, 2024
Mastek Systems Company Limited	United Kingdom	Affiliate	2,065,503	2,065,503
Mastek Enterprise Solutions Private Limited	India	Affiliate	193,238	291,216
Mastek Arabia FZ.L.L.C.	Dubai	Affiliate	149,096	564,233
Evolutionary Systems Consultancy LLC	Abu Dhabi	Affiliate	82,600	4,860
Mastek Inc.	United States of America	Affiliate	14,338	-
			2,504,775	2,925,812

(iv) Borrowings from related party

			March 31, 2025	March 31, 2024
Mastek Systems Company Limited	United Kingdom	Affiliate	-	386,784

The above loan from related party was taken at an interest rate of 1.6%^a above GBP SONIA rate (2.1412%^a) payable in 12 months or as agreed mutually between the parties.

(v) Loan given to related party

			March 31, 2025	March 31, 2024
Evolutionary Systems Consultancy LLC	Abu Dhabi	Affiliate	329,390	-

The above loan to related party was given at an interest rate of 1.6%^a above GBP SONIA rate (4.4544%^a) receivable in 12 months or as agreed mutually between the parties.

EVOLUTIONARY SYSTEEMS QATAR W.L.L

Notes to the Financial Statements

For the year ended March 31, 2025

(All amounts expressed in Qatari Rival unless otherwise stated)

13 Revenue	March 31, 2025	March 31, 2024
Information technology services	5,566,572	5,420,968
	<u>5,566,572</u>	<u>5,420,968</u>

A disaggregation of the Company's revenue is as follows:

Type of revenue from services

Implementation	1,581,452	857,046
Support	3,985,120	4,563,922
	<u>5,566,572</u>	<u>5,420,968</u>

Timing of revenue recognition

Point in time	1,581,452	857,046
Over time	3,985,120	4,563,922
	<u>5,566,572</u>	<u>5,420,968</u>

Contract balances information

Trade receivables	1,344,813	2,055,247
Contract assets	1,494,325	965,849
Contract liabilities	(120,423)	(63,218)

The below table discloses the movement in balances of contract liabilities

	March 31, 2025	March 31, 2024
Balance as at beginning of the year	63,218	58,216
Additional amounts billed but not recognised as revenue	118,997	62,894
Deduction on account of revenues recognised during the year	(61,792)	(57,892)
Balance as at the end of the year	120,423	63,218

14 Cost of revenue

Note

Subcontracting cost		3,059,220	2,529,277
Staff cost	16.2	1,365,297	1,613,050
		<u>4,424,517</u>	<u>4,142,327</u>

15 Other income

Interest income		1,306	-
		<u>1,306</u>	<u>-</u>

EVOLUTIONARY SYSTEEMS QATAR W.L.L

Notes to the Financial Statements

For the year ended March 31, 2025

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16 General and administrative expenses		March 31, 2025	March 31, 2024
Rent		48,000	48,000
Provision for expected credit loss	6	81,503	422,980
Receivables written off	16.3	361,984	-
Legal and professional fees		138,106	201,635
Travelling and conveyance		20,568	101,348
Government fees		32,250	25,219
Insurance		19,018	19,989
Lodging expenses		6,858	19,698
Sponsorship fees		69,996	70,002
Repairs and maintenance		-4,434	2,380
Communication		1,309	1,563
Gross charge expense		41,291	-
Loss on foreign currency exchange		3,053	-
Depreciation	4	5,584	6,474
Financial charge		18,475	19,351
Staff cost	16.2	-	351
Late filing penalty		-	13,500
Others		3,974	25,323
		856,403	977,813

16.1 Staff Cost	Note	March 31, 2025	March 31, 2024
Salaries and wages		1,279,965	1,517,456
Employees' end of service benefits	10	40,503	51,099
Other benefits		44,829	44,846
		1,365,297	1,613,401

16.2 The staff costs have been allocated in the statement of comprehensive income as follows:

		March 31, 2025	March 31, 2024
Cost of revenue	14	1,365,297	1,613,050
General and administrative expenses	16	-	351
		1,365,297	1,613,401

16.3 This expense pertains to write-off of the amount receivable from previous shareholder pertaining to the capital gain tax arising from share transfer transaction during the year.

17 Income tax

Profit before tax		286,958	300,828
Add: Non-deductible expenses			
Unrealised forex gain		-	11,632
Non-deductible provision		-93,760	486,557
Non-deductible salaries and wages		69,996	70,002
Amount paid in breach of the state laws		-	13,500
Deductible provisions		(68,565)	(624,183)
(Taxable loss)/Taxable income		782,149	258,336
Carried forward losses available		(1,151,614)	(1,409,950)
Tax loss to be carried forward		(369,465)	(1,151,614)
Tax= Taxable income*10%		-	-
Share of profit of Non-Qatari or Non-Resident Qatari		90%	90%
Tax liability		-	-
Tax charged			
Current tax		-	-
Deferred tax	5	37,974	63,127
		37,974	63,127

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18 Contingencies and commitments

The Company had the following contingent liabilities from which it is anticipated that no material liabilities will arise.

	March 31, 2025	March 31, 2024
Performance guarantees	279,444	139,584
	<u>279,444</u>	<u>139,584</u>

19 Financial risk management

The risk management function within the Company is carried out in respect of financial risks.

Financial risks are risks arising from financial instruments to which the Company is exposed during or at the end of the reporting period. Financial risk comprises market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

19.1 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial assets. The objective of market risks management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company has a set of acceptable parameters, based on value at risk, that may be accepted and which is monitored on a regular basis.

(i) **Currency risk**

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

The Company has limited exposure to foreign exchange risks arising from balances dominated in US Dollars as the Qatari Riyal is pegged to the US Dollar.

(ii) **Interest rate risk**

Interest rate risk is the risk that the Company's earnings will be affected as a result of fluctuations in the value of financial instruments due to changes in market interest rates. As the Company has no significant variable interest bearing assets, the Company's income and operating cash flows are substantially independent of changes in market interest rates.

19.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is as indicated by the carrying amount of its assets which consist principally of accounts receivable, other receivables, due from a related party and bank balances.

The Company seeks to limit its credit risk with respect to customers by setting credit limits for individual customers and monitoring outstanding receivables. Credit evaluations are performed on all customers requiring credit and are approved by the Company's management.

Below table summarises the exposure of the Company equal to the carrying amount of these instruments are as follows:

	March 31, 2025	March 31, 2024
Trade and other receivables (excluding non-financial assets)	3,137,522	3,451,931
Cash at bank	2,249,474	2,806,910
Due from related parties	689,922	689,922
	<u>6,076,918</u>	<u>6,948,763</u>

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19.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table summarises the maturity profile of the Company's undiscounted financial liabilities at 31 March based on contractual payment dates.

	March 31, 2025			Total
	Less than 1 year	1-2 years	2-5 years	
Trade and other payable	339,765	-	-	339,765
Due to related parties	2,504,775	-	-	2,504,775
	2,844,540	-	-	2,844,540

	March 31, 2024			Total
	Less than 1 year	1-2 years	2-5 years	
Trade and other payable	342,850	-	-	342,850
Due to related parties	2,925,812	-	-	2,925,812
Borrowings from related party	386,784	-	-	386,784
	3,655,446	-	-	3,655,446

Capital management

The management's policy is to maintain a strong capital base so as to maintain investor, creditor and to sustain future development of the business. The management monitors the capital, which the Company defines as total equity and is measured at QAR 3,702,806 on 31 March 2025 (2024: QAR 3,459,067).

The Company manages its capital structure and makes adjustments to it, in light of changes in business conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to owner, or increase capital. No changes were made in the objectives, policies or process during the years 2025 and 2024.

19.4 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms length transaction. Differences can therefore arise between the book values under historical cost method and fair value estimates. The management believes that the fair value of the financial assets and liabilities of the Company are not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

- Level 1 : Quoted prices (unadjusted) prices in active markets for identical assets or liabilities that the Company can access at the measurement date.
- Level 2 : Inputs other than quoted prices included within level 1 that are observable for the assets of liability, either directly or indirectly.
- Level 3 : Unobservable inputs for the asset or liability.

There are no assets and liabilities carried at fair value.

20 GENERAL

20.1 Rounding off

Figures have been rounded off to the nearest QR.1

20.2 Date of authorization

These financial statements were authorized for issue on 15 JUL 2025 by the Board of Directors of the Company, signed on their behalf by the manager of the Company.