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**Evosys Kuwait to Design &  
Processing of Electronic Computer Centers Company  
A Limited Liability Company  
State of Kuwait  
Financial Statements and Independent Auditor's Report  
For the year ended 31 March 2025**

**Evosys Kuwait to Design & Processing of Electronic Computer Centers Company**  
**A Limited Liability Company**  
**State of Kuwait**

**Financial Statements and Independent Auditor's Report**  
For the year ended 31 March 2025

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**Independent auditor's report to the owner of Evosys Kuwait to Design & Processing of  
Electronic Computer Centers Company  
A Limited Liability Company  
State of Kuwait**

**Report on the Audit of the Financial Statements**

*Opinion*

We have audited the financial statements of Evosys Kuwait to Design & Processing of Electronic Computer Centers Company - A Limited Liability Company ("the Company"), which comprise the statement of financial position as at 31 March 2025 and 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2025 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

*Basis for Opinion*

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

*Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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. In addition, management are responsible for overseeing the Company's financial reporting process.

**Independent auditor's report to the owner of Evosys Kuwait to Design & Processing of Electronic Computer Centers Company  
A Limited Liability Company (Continued)**

*Auditor's Responsibilities for the Audit of the Financial Statements*

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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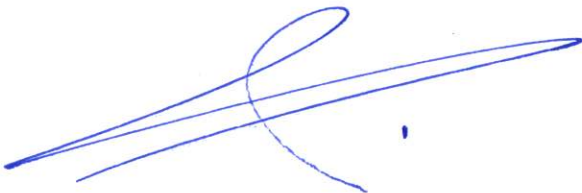
**Independent auditor's report to the owner of Evosys Kuwait to Design & Processing of  
Electronic Computer Centers Company  
A Limited Liability Company (Continued)**

*Auditor's Responsibilities for the Audit of the Financial Statements(Continued)*

We communicate with the owner regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on other legal and regulatory requirements**

In Our opinion, the financial statements include the disclosures required by the Companies Law No. 1 of 2016 its Executive Regulations and the Company's Articles of Association and We had obtained the information We required to perform Our audit. In addition, proper books of account have been kept, physical stock taking was carried out in accordance with recognised practice. According to the information available to Us there were no contraventions during the financial year ended 31 March 2025 of either the Companies Law No. 1 of 2016 its Executive Regulations or of the Company's Articles of Association which might have materially affected the Company's financial position or results of its operations.



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Fahad Musaed Al-Azemi  
License No. 261 -A/Kuwait  
Forvis Mazars - Fahad Musaed & Co Certified Public Accountant

Forvis Mazars - Fahad Musaed & co.  
**forvis  
mazars**

**Kuwait: 7 August 2025**

**Evosys Kuwait to Design & Processing of Electronic Computer Centers Company**  
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**Statement of financial position**  
As at 31 March 2025

	Notes	31-Mar-25 K.D	31-Mar-24 K.D
<b>Assets:</b>			
<b>Non-current assets</b>			
Plant and equipment		-	30
<b>Total non-current assets</b>		<u>-</u>	<u>30</u>
<b>Current assets</b>			
Accounts receivable and other debit balances	6	22,515	171,986
Due from related parties	7	11,696	11,650
Bank balances		252,399	288,697
<b>Total current assets</b>		<u>286,610</u>	<u>472,333</u>
<b>Total assets</b>		<u><u>286,610</u></u>	<u><u>472,363</u></u>
<b>Equity and liabilities:</b>			
<b>Equity</b>			
Share capital	8	20,000	20,000
Statutory reserve	9	10,285	10,285
Retained earnings		208,809	293,242
<b>Total equity</b>		<u>239,094</u>	<u>323,527</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Due to related party	7	4,816	119,251
Accounts payable and other credit balances	10	42,700	29,585
<b>Total current liabilities</b>		<u>47,516</u>	<u>148,836</u>
<b>Total liabilities</b>		<u>47,516</u>	<u>148,836</u>
<b>Total equity and liabilities</b>		<u><u>286,610</u></u>	<u><u>472,363</u></u>

The accompanying notes on pages 8 to 24 form an integral part of these financial statements.

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**Saed Delihe Saed Shuwai Al-Hajry**  
**Managing Partner**

**Evosys Kuwait to Design & Processing of Electronic Computer Centers Company**  
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**State of Kuwait**

**Statement of profit or loss and other comprehensive income**  
**For the year ended 31 March 2025**

	<u>Notes</u>	<u>31-Mar-25</u> <u>K.D</u>	<u>31-Mar-24</u> <u>K.D</u>
Revenue from contracts with customers		135,406	149,872
Cost of revenue		<u>(60,673)</u>	<u>(48,191)</u>
<b>Gross profit</b>		<b>74,733</b>	<b>101,681</b>
Other income		21,643	-
Foreign exchange gain/(loss)		<u>3,017</u>	<u>(1,478)</u>
		<u>99,393</u>	<u>100,203</u>
<b>Expenses and other charges</b>			
General and administrative expenses	11	(113,105)	(36,909)
Depreciation		-	(196)
Income tax		-	(3,853)
Provision for expected credit loss	6	<u>(70,721)</u>	<u>(11,511)</u>
<b>Total of expenses and other charges</b>		<b><u>(183,826)</u></b>	<b><u>(52,469)</u></b>
<b>Net loss for the year</b>		<b>(84,433)</b>	<b>47,734</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the year</b>		<b><u>(84,433)</u></b>	<b><u>47,734</u></b>

The accompanying notes on pages 8 to 24 form an integral part of these financial statements.

**Evosys Kuwait to Design & Processing of Electronic Computer Centers Company  
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**Statement of changes in equity  
For the year ended 31 March 2025**

	Share capital K.D	Statutory reserve K.D	Retained earnings K.D	Total equity K.D
Balance as at 31 March 2023	20,000	10,285	245,508	275,793
Total comprehensive income for the year	-	-	47,734	47,734
Balance at 31 March 2024	20,000	10,285	293,242	323,527
<b>As at 31 March 2024</b>	<b>20,000</b>	<b>10,285</b>	<b>293,242</b>	<b>323,527</b>
Total comprehensive loss for the year	-	-	(84,433)	(84,433)
Balance at 31 March 2025	20,000	10,285	208,809	239,094

The accompanying notes on pages 8 to 24 form an integral part of these financial statements.

**Evosys Kuwait to Design & Processing of Electronic Computer Centers Company**  
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**State of Kuwait**

**Statement of cash flows**

For the year ended 31 March 2025

	<u>Notes</u>	<u>31-Mar-25</u> <u>K.D</u>	<u>31-Mar-24</u> <u>K.D</u>
<b>Operating Activities</b>			
<b>Profit for the year</b>		<b>(84,433)</b>	47,734
<i>Adjustments for:</i>			
Depreciation		30	196
Provision for expected credit loss	6	5,764	-
		<b>(78,639)</b>	47,930
<i>Movements in working capital:</i>			
Accounts receivable and other debit balances	6	143,707	115,814
Due from related parties	7	(46)	(1,168)
Due to related party	7	(114,435)	(30,127)
Accounts payable and other credit balances	10	13,115	23,279
<b>Net cash (used in)/generated from operating activities</b>		<b>(36,298)</b>	155,728
<b>Net decrease in bank balances</b>		<b>(36,298)</b>	155,728
Bank balances at the beginning of the year		288,697	132,969
<b>Bank balances at the end of the year</b>		<b>252,399</b>	288,697

The accompanying notes on pages 8 to 24 form an integral part of these financial statements.

**Evosys Kuwait to Design & Processing of Electronic Computer Centers Company**  
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**State of Kuwait**

**Notes to the financial statements**  
For the year ended 31 March 2025

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**1- Incorporation and activities**

Evosys Kuwait to Design & Processing of Electronic Computer Centers Company - Limited Liability Company, established as per the Memorandum of Association authenticated under No.(293) dated 18 February 2013, and adjusted by the amendments the last contract No.(24) dated 13 January 2022, and adjusted by memorandums issued by the Personnel Companies Department last memorandum No.(619600) dated 16 January 2022, The Company is registered in the commercial register under No. (346062), and practicing its business as per license No. (M/478/2013) and is engaged in Designing and equipping computer centers.

The address of the Company's registered office is at Al-Qibla, Block 6, Building 59, Office No. (15) second floor, Owned by Kuwait Finance House, State of Kuwait.

The financial statements for Evosys Kuwait to Design & Processing of Electronic Computer Centers Company - A Limited Liability Company ("the Company") for the year ended 31 March 2025 were authorised for issue by the partners on 7 August 2025.

**2- Statement of compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") and the IFRS interpretations Committee applicable to Companies reporting under IFRS as issued by the International Accounting Standards Board ("IASB"), and applicable requirements of the Companies Law.

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires the Company's management to exercise judgment in applying the Company's accounting policies. The areas of significant judgments and estimates made in preparing the financial statements and their effect are disclosed in Note 4.

**2.1 Basis of preparation**

The financial statements have been presented in Kuwaiti Dinars (KD) which is also the functional currency of the Company.

The financial statements are prepared on the historical cost convention.

**3- Changes in accounting policies**

**3.1 New and amended standards adopted by the Company**

The following amendments to existing IFRS Accounting Standards were effective for the current period.

<b>Standard or Interpretation</b>	<b>Effective for annual periods beginning</b>
IAS 1 Amendments- Classification of liabilities with debt covenants	01 January 2024
IAS 1 Amendments- Classification of liabilities as current or non-current	01 January 2024
IAS 7 and IFRS 7 Supplier finance arrangement disclosures	01 January 2024
IFRS 16 Amendments- Lease liability in a sale and leaseback	01 January 2024

**Evosys Kuwait to Design & Processing of Electronic Computer Centers Company**  
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**Notes to the financial statements**  
For the year ended 31 March 2025

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**3- Changes in accounting policies (Continued)**

**IAS 1 Amendments - Classification of liabilities with debt covenants**

The amendments to IAS 1 clarify that classification of liabilities as either current or non-current depends only on the covenants that an entity is required to comply with on or before the reporting date. In addition, an entity has to disclose information in the notes that enables users of financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months.

The adoption of the amendments did not have a significant impact on the Company's financial information

**IAS 1 Amendments - Classification of current or non-current**

The amendments to IAS 1 clarify the classification of a liability as either current or non-current is based on the entity's rights at the end of the reporting period. Stating management expectations around whether they will defer settlement or not does not impact the classification of the liability. It has added guidance about lending conditions and how these can impact classification and has included requirements for liabilities that can be settled using an entity's own instruments.

The adoption of the amendments did not have a significant impact on the Company's financial information.

**IAS 7 and IFRS 7 Amendments – Supplier finance arrangements**

The amendments to IAS 7 and IFRS 7 added disclosure objectives to IAS 7 to enable the users of the financial statements to assess how the supplier finance arrangements effect an entity's liabilities and cash flows, and to understand the effect of these arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it. While the amendments do not explicitly define supplier finance arrangements it instead describes characteristics of such arrangements.

To meet the disclosure objectives, an entity is required to disclose in aggregate for its supplier finance arrangements:

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

The adoption of the amendments did not have a significant impact on the Company's financial information.

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**Notes to the financial statements**  
For the year ended 31 March 2025

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**3- Changes in accounting policies (Continued)**

**3.1 New and amended standards adopted by the Company (Continued)**

**IFRS 16 Amendments – Lease liability in a sale and leaseback**

The amendments to IFRS 16 requires a seller-lessee to measure the right-of-use asset arising from a sale and leaseback transaction at the proportion of the previous carrying amount of the asset that relates to the right of use the seller-lessee retains. Accordingly, in a sale and leaseback transaction the seller-lessee recognises only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor. The initial measurement of the lease liability that arise from a sale and leaseback transaction is a consequence of how the seller-lessee measures the right-of-use asset and the gain or loss recognised at the date of the transaction. The new requirements do not prevent a seller-lessee from recognising in any gain or loss relating to the partial or full termination of a lease.

The adoption of the amendments did not have a significant impact on the Company's financial information.

**3.2 IASB Standards issued but not yet effective**

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by the Company.

Management anticipates that all of the relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncements. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Company's financial statements.

<b>Standard or Interpretation</b>	<b>Effective for annual periods beginning</b>
IAS 21 Amendments – Lack of exchangeability	01 January 2025
IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments - Amendments	01 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	01 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	01 January 2027

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**Notes to the financial statements**  
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**3- Changes in accounting policies (Continued)**

**3.2 IASB Standards issued but not yet effective (Continued)**

**IAS 21 Amendments – Lack of exchangeability**

The amendments to IAS 21 addresses determination of exchange rate when there is long term lack of exchangeability. The amendments:

- Specify when a currency is exchangeable into another currency and when it is not — a currency is exchangeable when an entity is able to exchange that currency for the other currency through markets or exchange mechanisms that create enforceable rights and obligations without undue delay at the measurement date and for a specified purpose; a currency is not exchangeable into the other currency if an entity can only obtain an insignificant amount of the other currency.
  
- Specify how an entity determines the exchange rate to apply when a currency is not exchangeable — when a currency is not exchangeable at the measurement date, an entity estimates the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing.

Require the disclosure of additional information when a currency is not exchangeable — when a currency is not exchangeable an entity discloses information that would enable users of its financial statements to evaluate how a currency's lack of exchangeability affects, or is expected to affect, its financial performance, financial position and cash flows.

Management does not anticipate that the adoption of the amendments in the future will have a significant impact on the Company's financial statements.

**IFRS 7 and IFRS 9 Classification and Measurement of Financial Instruments - Amendments**

The amendments to IFRS 7 and IFRS 9 addresses three changes:

- derecognition of a financial liability settled through electronic transfer whereby entities are permitted to deem a financial liability (or part of it) that will be settled in cash using an electronic payment system to be discharged before the settlement date if specified criteria are met. An entity that elects to apply this derecognition option would be required to apply it to all settlements made through the same electronic payment system.
  
- Classification of financial assets based on a) contractual terms that are consistent with basic lending arrangements, b) assets with non-recourse description has been enhanced to include a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets, and c) contractually linked instruments have been clarified, and

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**Notes to the financial statements**  
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**3- Changes in accounting policies (Continued)**

**3.2 IASB Standards issued but not yet effective (Continued)**

**IFRS 7 and IFRS 9 Classification and Measurement of Financial Instruments - Amendments (Continued)**

- Disclosures relating to a) financial assets at FVTOCI where entities are required to disclose fair value gain or loss separately for financial assets derecognised in the period and the fair value gain or loss that relates to investments held at the end of the period, and b) contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in a basic lending risks and costs.

Management does not anticipate that the adoption of the amendments in the future will have a significant impact on the Company's financial statements.

**IFRS 18 Presentation and Disclosure in Financial Statements**

The new standard will replace the IAS 1 Presentation of Financial Statements though it contains a number of the current requirements in the IAS 1. IFRS 18 sets out to ensure the financial statements provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The major new requirements in IFRS 18 include

- Presentation of specific categories and sub totals in the statement of profit or loss
- Disclosures of management-defined performance measures (MPM)
- Improvement of aggregation and disaggregation

Management anticipates that the adoption of the new standard in the future may have an impact on the Company's financial statements.

**IFRS 19 Subsidiaries without Public Accountability: Disclosures**

IFRS 19 allows reduced disclosure requirements for an entity instead of the disclosure requirements in other IFRS Accounting Standards if the entity 1) is a subsidiary, 2) it does not have public accountability, 3) it has an ultimate or intermediate parent that produces financial statements available for public use that comply with IFRS Accounting Standards. An entity electing to apply IFRS 19 is required to apply other IFRS Accounting Standards, except for the disclosure requirements.

Management does not anticipate adoption of the new standard for its financial statements of the Company.

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**Notes to the financial statements**  
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**4- Significant Accounting Policies**

**4.1 Plant and equipment**

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated based on the estimated useful lives of the applicable assets on a straight-line basis, disclosed in Note 6, commencing when the assets are ready for their intended use. The estimated useful lives, residual values and depreciation methods are reviewed at each year end, with the effect of any changes in estimate accounted for on prospective basis. Maintenance and repairs, replacements and improvements of minor importance are expensed as incurred. Significant improvements and replacements of assets are capitalised. The gain or loss arising on the disposal or retirement of an item of plant and equipment determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in statement of profit or loss and other comprehensive income in the period in which they occur.

**4.2 Inventory**

Inventories are stated at the lower of cost and net realisable value after taking provision for slow moving items. Cost is determined using the first-in first-out method. Cost comprises all expenditures incurred in acquiring, the inventories and bringing them to their present location and condition, and it excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

**4.3 Financial instruments**

The Company classifies its financial instruments as financial assets and financial liabilities. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of those instruments.

Financial instruments are classified as liabilities or equity according to the nature of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability are reported as expense or income. Dividends to holders of financial instruments classified as equity are charged directly to equity.

Financial assets and financial liabilities included in the statement of financial position include account receivables and other debit balances, due from Related Parties, balance with the bank, account payables and other credit balances, and due to Related Party.

**4.3.1 Financial assets**

**Recognition, initial measurement and derecognition**

To determine the classification and measurement category of financial assets, IFRS 9 requires that all financial assets, except for equity instruments and derivatives, be evaluated based on the entity's business model used to manage the assets and the contractual cash flow characteristics of the instruments.

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**4- Significant Accounting Policies (Continued)**

**4.3 Financial instruments (Continued)**

**4.3.1 Financial assets (Continued)**

The Company sets its business model at the level that best reflects how it manages its total financial assets for its business purposes and for generating contractual cash flows. So that the company targets the business model primarily to collect contractual cash flows from assets only or to collect contractual cash flows and cash flows resulting from the sale of assets. If neither of the two purposes apply (e.g. holding financial assets for trading purposes), the financial assets are classified as part of the “sell” business model and measured at fair value through profit or loss. The company's business model is not evaluated on an instrument-by-instrument basis, but rather at a higher portfolio level.

**Recognition, initial measurement and derecognition**

Purchases and sales of these financial assets are recognized on the trade date, the date on which the company commits to purchase or sell the assets. Financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss.

Financial assets are derecognised when: the contractual rights to receive cash flows from the financial assets have expired; or when the Company has transferred its rights to receive cash flows from the financial asset, and either (a) has transferred substantially all of the risks and rewards of ownership associated with the financial asset or (b) has neither transferred nor retained substantially all of the risk and benefits associated with the financial asset except that it has transferred control of the financial asset. When the Company retains control, it continues to recognize the financial asset to the extent of its continuing involvement in the financial asset.

**Classification of financial assets**

- Financial assets are classified in the financial statements upon initial recognition into the following categories:
- Debt instruments are carried at amortized cost.
- Debt instruments at fair value through profit or loss and other comprehensive income.
- Equity instruments at fair value through profit or loss and other comprehensive income.

**Post Measurement**

**Effective interest rate method (EIR)**

The effective interest rate method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

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**Notes to the financial statements**  
For the year ended 31 March 2025

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**4- Significant Accounting Policies (Continued)**

**4.3 Financial instruments (Continued)**

**4.3.1 Financial assets (Continued)**

**Post Measurement (Continued)**

**Accounts receivable and other assets**

Accounts receivable and other assets are stated at original amount less allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

**Due from related parties**

Due from related parties are financial assets originated by the Company by providing money directly to the borrower that have fixed or determinable payments and are not quoted in an active market.

**Bank balances**

Bank balances in the statement of financial position and the statement of cash flows comprise of current accounts at bank.

**4.3.2 Impairment of financial assets**

Financial assets are assessed for indicators of impairment at each statement of financial position date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For receivables, loans and advances, objective evidence of impairment could include: (i) significant financial difficulty of the issuer or counterparty; or (ii) default or delinquency in yield or principal payments; or (iii) it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For receivables, loans and advances, objective evidence of impairment could include: (i) significant financial difficulty of the issuer or counterparty; or (ii) default or delinquency in yield or principal payments; or (iii) it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as accounts receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 90 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

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**4- Significant Accounting Policies (Continued)**

**4.3 Financial instruments (Continued)**

**4.3.2 Impairment of financial assets (Continued)**

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of receivables and loans, where the carrying amount is reduced through the use of an allowance account. When a loan or receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the statement of profit or loss and other comprehensive income.

**4.3.3 Derecognition of financial assets**

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**4.3.4 Financial liabilities**

**Initial recognition and subsequent measurement**

Financial liabilities within the scope of IAS 39 are classified as "financial liabilities at fair value through profit or loss" and "loans and borrowings", as appropriate, the Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in case of loans and borrowings, plus directly attributable transactions costs.

The Company's financial liabilities include accounts payable and other credit balances and due to Related Party.

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**4- Significant Accounting Policies (Continued)**

**4.3 Financial instruments (Continued)**

**4.3.4 Financial liabilities (Continued)**

**Initial recognition and subsequent measurement (Continued)**

**Subsequent measurement**

**Accounts payable and other credit balances.**

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not. Accounts payable and other credit balances are subsequently measured at amortised cost using EIR method.

**Due to related parties**

Due to related parties are financial liabilities arising in the normal courses of the business and are not quoted in an active market.

**4.3.5 Derecognition of financial liabilities**

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

**4.3.6 Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**4.4 Provisions**

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

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**4- Significant Accounting Policies (Continued)**

**4.5 Revenue recognition**

The Company recognises revenue from rendering of services.

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of a product or service to a customer. The Company follows a 5-step process:

- \* Identifying the contract with a customer.
- \* Identifying the performance obligations.
- \* Determining the transaction price.
- \* Allocating the transaction price to the performance obligations.
- \* Recognizing revenue when/as performance obligation(s) are satisfied.

The Company often enters into transactions involving a range of the Company's products and services. In all cases, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties.

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts, if any, as other liabilities in the statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable, if any, in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

**4.6 Foreign currencies**

**Functional and presentation currency**

The financial statements are presented in currency Kuwait Dinar (KD), which is also the functional currency of the Company. The Company determines its own functional currency and items included in the financial statements are measured using that functional currency.

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**4- Significant Accounting Policies (Continued)**

**4.6 Foreign currencies (Continued)**

**Foreign currency transactions and balances**

Foreign currency transactions are translated into the functional currency of the Company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in statement of profit or loss and other comprehensive income. Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

**4.7 Contingencies**

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognised in the financial statements but disclosed when an inflow of economic benefits is probable.

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**5- Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described in Note 4, management is required to make judgements, estimates and assumption about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**Significant management judgments**

In the process of applying the Company's accounting policies, management has made the following significant judgments, which have the most significant effect on the amounts recognised in the financial statements:

**Useful lives of non-financial assets**

As described in 6 the Company reviews the estimated useful lives over which its tangible assets are depreciated and intangible assets are amortised. The Company's management is satisfied that the estimates of useful lives are appropriate.

**Estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

**Impairment of non-financial assets**

The Company's management estimates whether there is an indication to impairment of non-financial assets. The recoverable amount of an asset is determined based on "value in use method". In particular, considerable judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of provisions required. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty, and actual results may differ resulting in future changes to such provisions.

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**6- Accounts receivable and other debit balances**

<b>Description</b>	<b>31-Mar 2025 K.D</b>	<b>31-Mar 2024 K.D</b>
Trade receivables	86,439	126,748
Provision for expected credit loss	<b>(63,958)</b>	<b>(58,194)</b>
	<b>22,481</b>	<b>68,554</b>
Retention receivables	-	103,398
Other debit balances	<b>34</b>	<b>34</b>
	<b>22,515</b>	<b>171,986</b>

The movement in provision for expected credit losses is as follows:

	<b>31-Mar 2025 K.D</b>	<b>31-Mar 2024 K.D</b>
Balance at 1 April	58,194	46,683
Charge for the year	70,721	11,511
Bad debt	<b>(64,957)</b>	-
Balance at 31 March	<b>63,958</b>	<b>58,194</b>

**7- Related party transactions**

Related parties represent partners, key management personnel of the Company and their close family members and companies in which they are principal owners or over which they are able to exercise significant influence or joint control. Pricing policies and terms of these transactions are approved by the Company's management, and transactions with these related parties were conducted during the year ended 31 December.

The following are the most significant balances and transactions with related parties:

<b>Due from related parties</b>	<b>31-Mar 2025 K.D</b>	<b>31-Mar 2024 K.D</b>
<b>Statement of financial position:</b>		
Due from related parties	11,696	11,650
	<b>11,696</b>	<b>11,650</b>

<b>Due to related party</b>	<b>31-Mar 2025 K.D</b>	<b>31-Mar 2024 K.D</b>
<b>Statement of financial position:</b>		
Due to related party	4,816	119,251
	<b>4,816</b>	<b>119,251</b>

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**8- Capital**

The capital consists of 100 shares, at a value of 200 Kuwaiti dinars per share, distributed among the partners as follows:

	<b>No. of Shares</b>	<b>Amount K.D</b>
Aeon Gulf General Trading and Contracting - W.L.L.	<b>51</b>	10,200
Mastek Arabia FZ - L.L.C.	<b>49</b>	9,800
	<b>100</b>	<b>20,000</b>

**9- Statutory reserve**

In accordance with the Companies Law and the Company's Memorandum of Association, 10% of the profit for the year after deducting any accumulated losses is required to be transferred to the statutory reserve until the reserve reaches a minimum of 50% of share capital. 10% of net profit was not transferred to statutory reserve due to reaching above 50% of share capital.

**10- Accounts payable and other credit balances**

<b>Description</b>	<b>31-Mar 2025 K.D</b>	<b>31-Mar 2024 K.D</b>
Accounts payables	847	847
Other credit balances	41,853	28,738
	<b>42,700</b>	<b>29,585</b>

**11- General and administrative expenses**

<b>Description</b>	<b>31-Mar 2025 K.D</b>	<b>31-Mar 2024 K.D</b>
Rents	3,000	3,000
Salaries	-	2,810
Bank charges	117	2,066
Legal fees	5,101	6,662
Professional fees	15,406	18,486
Consultancy	1,300	280
Marketing expenses	6,300	-
Bad debts	64,957	-
Miscellaneous expenses	16,924	3,605
	<b>113,105</b>	<b>36,909</b>

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**12- Risk management**

The Company's activities expose it to variety of financial risks: market risk (including foreign currency risk, interest rate risk), credit risk and liquidity risk.

The Company's risk management focuses on actively securing the Company's short to medium term cash flows by minimizing the potential adverse effects on the Company's financial performance and analyse exposures by degree and magnitude of risks.

The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The most significant financial risks to which the Company is exposed to are described below:

**12.1 Market risk**

Market risk is the risk that the value of an asset will fluctuate as a result of changes in market variables such as foreign exchange rates, interest rates, and equity prices, whether those changes are caused by factors specific to the individual investment or its issuer or factors affecting all investments traded in the market.

Market risk is managed on the basis of pre-determined asset allocations across various asset categories, diversification of assets in terms of geographical distribution and industry concentration, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

**12.2 Credit risk**

Credit risk is the risk that one counter party to a financial instrument will fail to discharge an obligation and cause the Company to incur a financial loss. The Company's credit policy and exposure to credit risk is monitored on an ongoing basis. The Company seeks to avoid undue concentrations of risks with individuals or Companies of customers in specific locations or business through diversification of its activities. It also obtains security when appropriate.

An assessment of credit worthiness is performed regarding the financial position of cash on hand.

The Company's exposure to credit risk is limited to the carrying amounts of financial assets recognised at the reporting date, as summarised below:

The Company continuously monitors the default of customers and other counterparties, identified either individually or by Company, and incorporate this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties. The Company's management considers the financial assets which are not past due or impaired as good credit quality assets. Information on the ageing of accounts receivable is set out in Note 6.

None of the Company's financial assets are secured by collateral or other credit enhancements.

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**12- Risk management (Continued)**

**12.3 Liquidity risk (Continued)**

Liquidity risk is the risk that the Company will encounter difficulty in meeting commitments associated with financial liabilities, arises because of the possibility (which may often be remote) that the entity could be required to pay its liabilities earlier than expected.

The ultimate responsibility in the management of liquidity risks lies on the Company's management, which approved an appropriate framework for liquidity risk management to manage the short, medium and long term funding of the Company, in addition to the requirements of the liquidity management. The Company manages liquidity risk through maintaining adequate reserves, and by securing reserves to banking and borrowing facilities, in addition to ongoing monitoring of the expected and actual cash flows and comparing the maturity analysis of financial assets and liabilities.

**13- Capital management**

The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern, through the optimisation of the debt and equity balance so that it can continue to provide an adequate return to partners by pricing products and services commensurately with the level of risk.

The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to partners, return capital to partners, issue new shares, borrow funds, or sell assets to reduce debt.

**14- Fair value of financial instruments**

The 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. Underlying the definition for fair value is the presumption that the Company is a going concern without any intention or need to liquidate, curtail materially the scale of its operations or undertake a transaction on adverse terms. As at the statement of financial position date, the fair value of the Company's financial assets and liabilities were not materially different from their carrying values.