INDEX

K.S. BHATIA & ASSOCIATES
CHARTERED ACCOUNTANTS
15th FLOOR, 1504 D WING, RUSTOMJEE SEASONS MIG CHS LTD.
IV GANDHI NAGAR NEAR MMRDA OFFICE, BANDRA – EAST,
MUMBAI – 400051 M: 9322225270; EMAIL ID: ksbandco@yahoo.co.in

Independent Auditor's Report

TO THE MEMBERS OF Hexaware Technologies ARG S.A.S

Report on the Audit of Special Purpose Ind AS Financial Statements

We have audited the special purpose Ind AS financial statements of Hexaware Technologies ARG S.A.S ("The Company"), which comprise the Balance Sheet as at 31 December 2024, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the special purpose Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December 2024 and its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of Companies Act, 2013 ("the Act") and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Ind AS Financial Statements

The Company's management and board of directors are responsible for the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs.

This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management and board of directors are 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.

Board of directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 SAs 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS 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 entity'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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For K. S. Bhatia & Associates
Chartered Accountants
(Firm's Registration No. 158315W)

KAUSHIK
SHANTIKUMAR
BHATIA

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Kaushik S. Bhatia
Proprietor
(Membership No. 046908)
UDIN: 25046908BMLXOT9154

Mumbai, February 19, 2025

Hexaware Technologies ARG S.A.S

Registered Office: Alem Leandro N Av. 693 Piso:3, 1001 - Ciudad Autonoma Buenos Aires

(Amount in ARS, unless otherwise stated)

Balance Sheet

	Note No.	As at December 31, 2024	As at December 31, 2023
ASSETS			
Non-current assets			
Income tax assets (net)		1,116,488	1,116,488
Other non-current assets	5	2,879,683	2,601,788
Deferred tax assets (net)		381	381
Total non-current assets		**3,996,552**	**3,718,657**
Current assets			
Financial assets:			
Trade receivables			
Unbilled		4,842,527	-
Cash and cash equivalents	6	371,646	243,040
Other financial assets	4	312,675	341,392
Income tax assets (net)		-	-
Total current assets		**5,526,848**	**584,432**
TOTAL ASSETS		**9,523,400**	**4,303,089**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7	33,750	33,750
Other equity		8,048,197	3,478,921
Total equity		**8,081,947**	**3,512,671**
Current liabilities			
Financial liabilities:			
Trade payables	8	1,331,970	732,793
Other current liabilities	9	109,483	57,625
Income tax liabilities (net)		-	-
Total current liabilities		**1,441,453**	**790,418**
Total liabilities		**1,441,453**	**790,418**
TOTAL EQUITY AND LIABILITIES		**9,523,400**	**4,303,089**

The accompanying notes 1 to 17 form an integral part of the financial statements.
As per our report of even date attached

For K. S. Bhatia & Associates
Chartered Accountants
Firm's Registration No :158315W

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Kaushik S. Bhatia
Proprietor
(Membership No. 046908)
Place: Mumbai
Date: February 19, 2025

For and on behalf of Hexaware Technologies ARG S.A.S

Amrinder Singh
Director

Place: Dubai
Date: February 19, 2025

Hexaware Technologies ARG S.A.S

Registered Office: Alem Leandro N Av. 693 Piso:3, 1001 - Ciudad Autonoma Buenos Aires

(Amount in ARS, unless otherwise stated)

Statement of Profit And Loss

	Note No.	For the Year ended December 31, 2024	For the Year ended December 31, 2023
INCOME			
Revenue from operations	10	48,072,631	12,632,726
TOTAL INCOME		**48,072,631**	**12,632,726**
EXPENSES			
Finance costs	12	1,158	2,621
Other expenses	11	43,502,197	12,887,597
TOTAL EXPENSES		**43,503,355**	**12,890,218**
PROFIT BEFORE TAX		**4,569,276**	**(257,492)**
Tax expense		-	-
PROFIT/(LOSS) FOR THE YEAR		**4,569,276**	**(257,492)**
TOTAL OTHER COMPREHENSIVE INCOME		**-**	**-**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**4,569,276**	**(257,492)**
Earnings per equity share:- Basic and diluted (ARS)	13		
Basic		122	(7)
Diluted		122	(7)

The accompanying notes 1 to 17 form an integral part of the financial statements.

As per our report of even date attached

For K. S. Bhatia & Associates
Chartered Accountants
Firm's Registration No :158315W

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Kaushik S. Bhatia
Proprietor
(Membership No. 046908)
Place: Mumbai
Date: February 19, 2025

For and on behalf of Hexaware Technologies ARG S.A.S

Amrinder

Amrinder Singh
Director

Place: Dubai
Date: February 19, 2025

Hexaware Technologies ARG S.A.S

Registered Office: Alem Leandro N Av. 693 Piso:3, 1001 - Ciudad Autonoma Buenos Aires

(Amount in ARS, unless otherwise stated)

Interim Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

Balance as at January 01, 2024	Changes in equity share capital during the Year	Balance as at December 31, 2024
33,750	**-**	**33,750**

Balance as at January 01, 2023	Changes in equity share capital during the Year	Balance as at December 31, 2023
33,750	**-**	**33,750**

B. OTHER EQUITY

	Reserves and surplus	Other comprehensive income	Total equity
	Retained earnings		
Balance as at January 01, 2024	3,478,921	-	3,478,921
Profit for the Year	4,569,276	-	4,569,276
Other comprehensive income (net of tax)	-	-	-
Total comprehensive income	**4,569,276**	**-**	**4,569,276**
Balance as at December 31, 2024	**8,048,197**	**-**	**8,048,197**
Balance as at January 01, 2023	3,736,413	-	3,736,413
Profit for the Year	(257,492)	-	(257,492)
Other comprehensive income / (losses) (net of tax)	-	-	-
Total comprehensive income	**(257,492)**	**-**	**(257,492)**
Balance as at December 31, 2023	**3,478,921**	**-**	**3,478,921**

The accompanying notes 1 to 17 form an integral part of the financial statements.
As per our report of even date attached

For K. S. Bhatia & Associates
Chartered Accountants
Firm's Registration No :158315W

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Kaushik S. Bhatia
Proprietor
(Membership No. 046908)
Place: Mumbai
Date: February 19, 2025

For and on behalf of Hexaware Technologies ARG S.A.S

Amrinder Singh
Director

Place: Dubai
Date: February 19, 2025

Hexaware Technologies ARG S.A.S

Registered Office: Alem Leandro N Av. 693 Piso:3, 1001 - Ciudad Autonoma Buenos Aires

(Amount in ARS, unless otherwise stated)

Statement of Cash Flows

	For the Year ended	
	December 31, 2024	**December 31, 2023**
Cash flow from operating activities		
Profit before tax	**4,569,276**	**(257,492)**
Operating profit before working capital changes	**4,569,276**	**(257,492)**
Adjustments for:		
Trade receivables and other assets	(5,091,705)	(74,247)
Trade payables, other liabilities and provisions	651,035	667,476
Cash generated from operations	**128,606**	**335,737**
Direct taxes paid (net)	-	(630,652)
Net cash generated from operating activities	**128,606**	**(294,915)**
Cash flow from investing activities		
Interest received	-	231
Net cash (used in) / generated from investing activities	**-**	**231**
Cash flow from financing activities		
Net increase in cash and cash equivalents	**128,606**	**(294,684)**
Cash and cash equivalents at the beginning of the year	243,040	537,725
Cash and cash equivalents at the end of the year (Refer to note 6)	**371,646**	**243,041**

The statement of cash flows has been prepared using the indirect method as set out in Ind AS 7.

The accompanying notes 1 to 17 form an integral part of the financial statements.
As per our report of even date attached

For K. S. Bhatia & Associates
Chartered Accountants
Firm's Registration No :158315W

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Kaushik S. Bhatia
Proprietor
(Membership No. 046908)
Place: Mumbai
Date: February 19, 2025

For and on behalf of Hexaware Technologies ARG S.A.S

Amrinder

Amrinder Singh
Director

Place: Dubai
Date: February 19, 2025

1 Company Overview

Hexaware Technologies ARS S.A.S incorporated on 1st October 2019. The Company is engaged in providing business process outsourcing / Call center services. It operates in various service lines like Information Technology consulting, software development, business process services, data and AI, cloud, digital IT operations, and enterprise platforms. The Company is the Wholly Owned subsidiary of Hexaware Technologies UK Limited.

2 Significant Accounting Policies

2.1 Statement of compliance

These Special Purpose Financial Statements of Hexaware Technologies ARS S.A.S (hereinafter referred as "the Company") which comprises the Balance Sheet as at December 31, 2024, and the Statement of Profit and Loss including other comprehensive income, the Statement of changes in equity and the Statement of cash flows for Year ended December 31, 2024, and related notes to the special purpose financial statements, including a summary of material accounting policies ("together referred to as "the Special Purpose Financial Statements") have been prepared by the management of the Company in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act, solely for the purposes of reporting to the management of Hexaware Technologies Limited ("the Holding Company",) for the purpose of preparing their Consolidated financial statements"), and accordingly, may not be suitable for any other purpose other than for the purpose stated above.

2.2 Basis of Preparation

These interim standalone financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which is measured at fair value or amortised cost at the end of each reporting period. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

2.3 Use of estimates and judgements

The preparation of interim standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of interim standalone financial statements and the reported amounts of income and expenses for the periods presented.

The Company uses the following critical accounting estimates in preparation of its interim standalone financial statements:

2.3.1 Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts expended to date, as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion, as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Cost to fulfill contract are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.3.2 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2 Significant Accounting Policies *(Continued)*

2.3.4 Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2.3.5 Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

2.3.6 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.4 Financial assets and financial liabilities

Financial assets at amortised cost

(i) **Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(ii) **Financial liabilities**

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

2.5 Earnings per share ('EPS')

Basic EPS is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During Year ended December 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

4 Other financial assets – Current	**As at December 31, 2024**	**As at December 31, 2023**
Security deposits for premises and others	312,675	341,392
Total	**312,675**	**341,392**

5 Other assets

Other assets – Non-current	**As at December 31, 2024**	**As at December 31, 2023**
Indirect taxes recoverable	2,879,683	2,601,788
Total	**2,879,683**	**2,601,788**

6 Cash and bank balances

Cash and cash equivalents	**As at December 31, 2024**	**As at December 31, 2023**
In current accounts with banks	371,646	243,040
Total	**371,646**	**243,040**

Hexaware Technologies ARG S.A.S

Registered Office: Alem Leandro N Av. 693 Piso:3, 1001 - Ciudad Autonoma Buenos Aires

(Amount in ARS, unless otherwise stated)

Notes forming part of Financial Statements for the Year ended December 31, 2024

7 Equity

		As at December 31, 2024	As at December 31, 2023
7.1	**Authorised capital**		
	33750 Equity shares of ARS. 1 each	33,750	33,750

		As at December 31, 2024	As at December 31, 2023
7.2	**Issued, subscribed and paid-up capital**		
	Equity shares of ARS. 1 each	33,750	33,750

		As at December 31, 2024	As at December 31, 2023
7.3	**Reconciliation of number of shares**		
	Shares outstanding at the beginning of the Year	33,750	33,750
	Shares issued during the Year on exercise of employee stock options	-	
	Shares outstanding at the end of the Year	**33,750**	**33,750**

7.4 Rights, preferences and restrictions attached to equity shares

The entire share capital is held by Hexaware Technologies UK Limited., having a par value of ARS 1 each. Each. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

			As at December 31, 2024	As at December 31, 2023
7.5	**Details of shares held by shareholders holding more than 5% shares**			
	Name of the shareholder			
	Hexaware Technologies UK Limited.		33,750	33,750
		% of holding	100%	100%

7.6 Disclosure of shareholding of promoters

Disclosure of shareholding of promoters as at December 31, 2024 is as follows:

Promoter name	December 31, 2024		December 31, 2023		% Change during the Year
	No. of shares	% of total shares	No. of shares	% of total shares	
Hexaware Technologies UK Limited	33,750	100.00%	33,750	100.00%	0.00%

Disclosure of shareholding of promoters as at December 31, 2023 is as follows:

Promoter name	December 31, 2023		December 31,2022		% Change during the Year
	No. of shares	% of total shares	No. of shares	% of total shares	
Hexaware Technologies UK Limited	33,750	100.00%	33,750	100.00%	0.00%

8 Trade payables

	As at December 31, 2024	As at December 31, 2023
Dues of other than micro enterprises and small enterprises		
Accrued expenses	1,331,970	732,793
Total	**1,331,970**	**732,793**

9 Other liabilities

	As at December 31, 2024	As at December 31, 2023
Other liabilities - Current		
Statutory liabilities	109,483	57,625
Total	**109,483**	**57,625**

10 Revenue

10.1 Revenue disaggregation by geography is as follows:

	For the Year ended	
	December 31, 2024	**December 31, 2023**
Geography		
Europe	48,072,631	12,632,726
Total	**48,072,631**	**12,632,726**

10.2 Revenue disaggregation by nature of service is as follows:

	For the Year ended	
	December 31, 2024	**December 31, 2023**
Revenue from contracts with customers	48,072,631	12,632,726
	48,072,631	**12,632,726**

10.3 Reconciliation of revenue recognised with the contracted price is as follows:

	For the Year ended	
	December 31, 2024	**December 31, 2023**
Contracted price	48,072,631	12,632,726
Reductions towards variable consideration components (discounts, rebate)	-	-
Revenue recognised	**48,072,631**	**12,632,726**

11 Other expenses

		For the Year ended	
		December 31, 2024	**December 31, 2023**
Rent		23,692,771	6,923,016
Legal and professional fees		46,000	402,557
Exchange rate difference (net)		762,507	655,261
Bank and other charges		3,358,365	538,369
Insurance charges		8,861	12,174
Subcontracting charges		14,294,813	3,957,600
Miscellaneous expenses	-	1,338,880	398,620
Total		**43,502,197.15**	**12,887,596.97**

12 Finance costs

	For the Year ended	
	December 31, 2024	**December 31, 2023**
Others	1,158	2,621
Total	**1,158**	**2,621**

Hexaware Technologies ARG S.A.S

Registered Office: Alem Leandro N Av. 693 Piso:3, 1001 - Ciudad Autonoma Buenos Aires

(Amount in ARS, unless otherwise stated)

Notes forming part of Financial Statements for the Year ended December 31, 2024

13 Earnings per share (EPS)

	For the Year ended	
	December 31, 2024	**December 31, 2023**
The components of basic and diluted EPS:		
Net profit after tax	4,569,276	(257,492)
Weighted average outstanding equity shares considered for basic EPS	37,500	37,500
Basic earnings per share	122	(7)
Weighted average outstanding equity shares considered for basic EPS	37,500	37,500
Add: Effect of dilutive issue of stock options	-	-
Weighted average outstanding equity shares considered for diluted EPS	37,500	37,500
Basic and diluted earnings per share (In ARS)	122	(7)

14 Related party disclosures

Names of related parties	**Country**
Holding Company (control exists)	
Hexaware Technologies UK Limited.	United Kingdom
Key Management Personnel (KMP)	
Executive Director and CEO	
Mr. Amrinder Singh	

Details of transactions and balances with party wise details for transactions in excess of 10% of the total transactions

Nature of transactions	**Name of the Related party and Relationship**	**For the Year ended**	
		December 31, 2024	**December 31, 2023**
Software and consultancy income	**Holding Company**		
	Hexaware Technologies UK Limited.	48,072,631	12,632,726
		48,072,631	**12,632,726**

Details of transactions and balances with party wise details for transactions in excess of 10% of the total transactions

Outstanding Balances		**As at**	**As at**
Name of the Related party and Relationship		**December 31, 2024**	**December 31, 2023**
Share Capital	**Holding Company**		
	Hexaware Technologies UK Limited.	33,750	33,750

Hexaware Technologies ARG S.A.S

Registered Office: Alem Leandro N Av. 693 Piso:3, 1001 - Ciudad Autonoma Buenos Aires

(Amount in ARS, unless otherwise stated)

Notes forming part of Financial Statements for the Year ended December 31, 2024

15 Financial Instruments

(i) The carrying value / fair value of financial instruments (other than investment in subsidiaries and associates) by categories as at December 31, 2024 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Total carrying / fair value
Cash and cash equivalents	371,646	-	-	371,646
Other bank balances	-	-	-	-
Trade receivables - Billed	-	-	-	-
Trade receivables - Unbilled	4,842,527	-	-	4,842,527
Other financial assets	312,675	-	-	312,675
Total	**5,526,848**	**-**	**-**	**5,526,848**
Total (in USD millions)	**64,550.9**	**-**	**-**	**64,550.9**
Borrowings		-	-	-
Deferred consideration	-	-	-	-
Trade payables	1,331,970	-	-	1,331,970
Lease liabilities	-	-	-	-
Other financial liabilities	-	-	-	-
Total	**1,331,970**	**-**	**-**	**1,331,970**

The carrying value / fair value of financial instruments (other than investment in associate) by categories as at December 31, 2023 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Total carrying / fair value
Cash and cash equivalents	243,040	-	-	243,040
Other financial assets	341,392	-	-	341,392
Total	**584,432**	**-**	**-**	**584,432**
Trade payables	732,793	-	-	732,793
Total	**732,793**	**-**	**-**	**732,793**

Hexaware Technologies ARG S.A.S

Registered Office: Alem Leandro N Av. 693 Piso:3, 1001 - Ciudad Autonoma Buenos Aires

(Amount in ARS, unless otherwise stated)

Notes forming part of Financial Statements for the Year ended December 31, 2024

16 Additional Regulatory Information - Financial ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% variance
Current ratio (in times) [1]	Total Current Assets	Total Current Liability	3.83	0.74	419%
Return on equity ratio (in %) [2]	Profit for the year less preference dividend	Average total equity	78.82%	-5.96%	1423%
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables (including unbilled receivables and contract asset)	19.85	-	0%
Trade payables turnover ratio (in times)	Other operating expenses (net of doubtfull debts)	Average trade payables	42.14	35.17	20%
Net capital turnover ratio (in times) [3]	Revenue from operations	Average working capital (Total current assets less Total current liabilities)	24.78	38.71	36%
Net profit ratio (in %) [2]	Profit for the year	Revenue from operations	9.50%	-2.04%	566%
Return on capital employed (in %) [2]	Profit before interest and tax	Tangible Net Worth + Debt (including lease liability) + Deferred Tax Liability	56.55%	-7.26%	879%

1 Current Ratio has increased due to increase in Unbilled Trade receviable in current year

2 Increase in ratio due to increase in profit in current year

3 Change in Net Capital turnover ratio due to increase in current asset in current year

17 Other updates

A Material events after Balance Sheet date:

There is no other significant event after reporting date which requires amendments or disclosure to these condensed interim standalone financial statements.

B Approval of the financial statements:

The interim standalone financial statements were approved for issue by the Board of Directors on February 19, 2025.

For K. S. Bhatia & Associates

Chartered Accountants

Firm's Registration No :158315W

KAUSHIK
SHANTIKUMAR
BHATIA

Digitally signed by KAUSHIK SHANTIKUMAR BHATIA
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Kaushik S. Bhatia

Proprietor

(Membership No. 046908)

Place: Mumbai

Date: February 19, 2025

For and on behalf of Hexaware Technologies ARG S.A.S

Amrinder Singh

Director

Place: Dubai

Date: February 19, 2025

RÜDIGER M. KLONK

DIPLOM-KAUFMANN · VEREIDIGTER BUCHPRÜFER · STEUERBERATER

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Postbank Frankfurt am Main
IBAN DE47 5001 0060 0288 2326 04
Volksbank Dreieich e.G.
IBAN DE03 5059 2200 0006 1100 17

Dipl.-Kfm. R. M. Klonk, vBP u. StB · Waldstrasse 4 · 63303 Dreieich

The Board of Directors
Hexaware Technologies GmbH
Mainzer Landstr. 33
60329 Frankfurt am Main

GERMANY

Dreieich, 05th, March, 2025

Review of Financial Statements 2024

Dear Sirs,

I have reviewed the attached financial statements and notes of Hexaware Technologies GmbH for the period ended as of December 31st, 2024, which have been prepared by the company for the purpose of Consolidation of accounts by its Holding Company.

I confirm that the attached financial statements and notes have been prepared from the books and records of Hexaware Technologies GmbH and are in accordance with the statutory accounts of the company as audited by me.

Yours Faithfully

Rüdiger M. Klonk

Rüdiger M. Klonk

Certified Public Auditor

enclosures

Hexa2403

FINANCIAL STATEMENTS

as of December 31st, 2024

Hexaware Technologies GmbH

Frankfurt am Main

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HEXAWARE TECHNOLOGIES GmbH

Registered Office: Mainzer Landstr. 33,60329 Frankfurt am Main, Germany

(EUR, unless otherwise stated)

Balance Sheet as at December 31, 2024

	Note No.	As at December 31, 2024	As at December 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	44,219	15,184
Right-of-use assets	4A	368,561	-
Financial assets:			
Other financial assets	7A	62,906	62,906
Deferred tax assets (net)		6,643	-
Total non current assets		482,329	78,090
Current assets			
Financial assets:			
Trade receivables			
Billed	9	5,563,111	1,350,994
Unbilled		1,698,786	320,045
Cash and cash equivalents	10	2,082,537	3,656,182
Other financial assets	7B	2,511,458	2,511,076
Other current assets	8	622,937	1,235,357
Total current assets		12,478,829	9,083,634
TOTAL ASSETS		12,961,158	9,161,724
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	180,900	180,900
Other equity		5,662,925	5,102,271
Total equity		5,843,825	5,283,171
Non-current liabilities			
Financial liabilities:			
Lease liabilities	4B	23,995	-
Total non-current liabilities		23,995	-
Current liabilities			
Financial liabilities:			
Lease liabilities	4B	365,594	-
Trade payables			
Dues of micro enterprises and small enterprises	13A	-	-
Dues other than micro enterprises and small enterprises	13B	3,953,830	2,023,229
Other financial liabilities	12	1,608,558	1,321,433
Other current liabilities	14	791,113	285,014
Provisions	15	202,339	215,141
Income tax liabilities (net)		171,504	33,736
Total current liabilities		7,093,338	3,878,553
TOTAL EQUITY AND LIABILITIES		12,961,158	9,161,724

The accompanying notes 1 to 25 form an integral part of the financial statements.

As per our report of even date attached

signed for identification

R. [signature]

auditor

5th, March 2025

For and on behalf of the Board

Amrinder Singh

Amrinder Singh

Director

Place: Dubai

Date: March 4, 2025

HEXAWARE TECHNOLOGIES GmbH

Registered Office: Mainzer Landstr. 33,60329 Frankfurt am Main, Germany

(EUR, unless otherwise stated)

Statement of Profit And Loss for the year ended December 31, 2024

	Note No.	For the year ended December 31, 2024	December 31, 2023
INCOME			
Revenue from operations	16	25,478,737	9,531,661
Other income	17	129,961	108,197
TOTAL INCOME		25,608,698	9,639,858
EXPENSES			
Employee benefits expense	18	6,571,933	4,442,812
Finance costs	20	24,918	578
Depreciation and amortisation expense	4,5	360,765	81,298
Other expenses	19	17,883,071	4,649,998
TOTAL EXPENSES		24,840,687	9,174,686
PROFIT BEFORE TAX		768,011	465,172
Tax expense			
Current tax		250,000	223,000
Prior period tax		(36,000)	-
Deferred tax credit		(6,643)	-
Total tax expense (Refer to note 6)		207,357	223,000
PROFIT FOR THE YEAR		560,654	242,172
Earnings per share:- Basic and diluted (EUR)	21		
Basic and Diluted		154.96	66.94

The accompanying notes 1 to 25 form an integral part of the financial statements.

As per our report of even date attached

Signed for identification:
R. [illegible]
auditor

For and on behalf of the Board

Amrinder Singh
Amrinder Singh
Director

Place: Dubai
Date: March 4, 2025

HEXAWARE TECHNOLOGIES GmbH

Registered Office: Mainzer Landstr. 33,60329 Frankfurt am Main, Germany

(EUR, unless otherwise stated)

Statement of Changes in Equity for the year ended December 31, 2024

A. EQUITY SHARE CAPITAL

Balance as at January 01, 2024	Changes in equity share capital during the year	Balance as at December 31, 2024
180,900	-	180,900

Balance as at January 01, 2023	Changes in equity share capital during the year	Balance as at December 31, 2023
180,900	-	180,900

B OTHER EQUITY

	Reserves and surplus	Total equity
	Retained earnings	
Balance as at January 01, 2024	5,102,271	5,102,271
Profit for the year	560,654	560,654
Balance as at December 31, 2024	**5,662,925**	**5,662,925**
Balance as at January 01, 2023	4,860,099	4,860,099
Profit for the year	242,172	242,172
Balance as at December 31, 2023	**5,102,271**	**5,102,271**

Retained earnings

Retained earnings comprise of the accumulated undistributed earnings.

The accompanying notes 1 to 25 form an integral part of the financial statements.

As per our report of even date attached

For and on behalf of the Board

signed for identification

R. [signature]

auditor

Amrinder Singh

Amrinder Singh

Director

Place: Dubai

Date: March 4, 2025

HEXAWARE TECHNOLOGIES GmbH

Registered Office: Mainzer Landstr. 33,60329 Frankfurt am Main, Germany

(EUR, unless otherwise stated)

Statement of Cash Flows for the year ended December 31, 2024

	For the year ended December 31, 2024	For the year ended December 31, 2023
Cash flow from operating activities		
Profit before tax	768,011	465,172
Adjustments for:		
Depreciation and amortization expense	360,765	81,298
Interest income	(183,745)	(126,785)
Life time expected credit loss	127,797	-
Finance costs	24,711	578
Operating profit before working capital changes	**1,097,539**	**420,263**
Adjustments for:		
Trade receivables and other assets	(5,096,235)	(309,384)
Trade payables, other liabilities and provisions	2,711,426	609,743
Cash generated/(used) in operations	**(1,287,270)**	**720,622**
Direct taxes paid (net)	(76,232)	(166,026)
Net cash generated/(used) in operating activities	**(1,363,502)**	**554,596**
Cash flow from investing activities		
Purchase of Property, Plant and Equipment	(43,229)	(1,868)
Loan repaid	-	2,500,000
Loan given	-	(2,500,000)
Interest received	183,363	317,271
Net cash generated in investing activities	**140,134**	**315,403**
Cash flow from financing activities		
Payment of lease liabilities (Refer to note 4B)	(350,257)	(76,656)
Net cash used in financing activities	**(350,257)**	**(76,656)**
Net increase/(decrease) in cash and cash equivalents	(1,573,625)	793,343
Cash and cash equivalents at the beginning of the year	3,656,162	2,862,819
Cash and cash equivalents at the end of the year (Refer to note 10)	**2,082,537**	**3,656,162**

The accompanying notes 1 to 25 form an integral part of the financial statements.

As per our report of even date attached

Signed for identification:
R. [illegible]
auditor

For and on behalf of the Board

Amrinder Singh

Amrinder Singh
Director

Place: Dubai
Date: March 4, 2025

HEXAWARE TECHNOLOGIES GmbH

Registered Office: Mainzer Landstr. [illegible] Frankfurt am Main, Germany

(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

1 Company Overview

Hexaware Technologies GmbH (HT GmbH or the Company), incorporated in 2005 under the laws of Germany, is a wholly owned subsidiary of Hexaware Technologies Limited, India. These financial statement have been prepared & audited for purpose of consolidation with the holding company.

The Company is actively involved in information technology consulting, software development, business process services, data and AI, cloud, Digital IT operations, and enterprise platforms. Hexaware delivers a range of services to clients across diverse industries, including travel, transportation, hospitality, logistics, banking, financial services, insurance, healthcare, manufacturing, retail, consumers, telecom, and utilities. The broad spectrum of service offerings encompasses application development and management, enterprise package solutions, infrastructure management, business intelligence and analytics, business process, digital assurance, testing, Generative AI, and sustainability.

2 Significant Accounting Policies

2.1 Statement of compliance

The Financial statements comply in all material aspects with Indian Accounting standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act as amended from time to time.

2.2 Basis of Preparation

These financial statements are prepared on historical cost basis, except for certain financial instruments which are measured at fair values as explained in the accounting policies below.

These financial statements have been prepared in EUR, which is the functional currency of the Company.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

Previous year figures have been re-grouped/re-classified wherever necessary to correspond with the current year classification/disclosure.

2.3 Use of estimates and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of financial statements and the reported amounts of income and expenses for the periods presented.

The Company uses the following critical accounting estimates in preparation of its financial statements:

2.3.1 Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts expended to date, as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion, as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Cost to fulfil contract are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.3.2 Income tax

The major tax jurisdiction for the Company is Germany. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax on unrecognised tax benefits. Tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.3.3 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the company is reasonably certain not to exercise that option. In assessing whether the company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

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HEXAWARE TECHNOLOGIES GmbH

Registered Office: Mainzer Landstr. 16,60329 Frankfurt am Main, Germany

(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

2 Significant Accounting Policies (Continued)

2.3.4 Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2.3.5 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.4 Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

In case of a contract on time and material basis, transaction-based or volume-based contracts, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognised using percentage of completion method. The Company uses the efforts expended to date as a proportion to the total efforts to be expended as a basis to measure the degree of completion. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated.

Revenues related to fixed-price maintenance, testing and business process services are recognised based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognised as the service is performed using the percentage of completion method.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits,performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Revenues in excess of billing are classified as Unbilled receivables while billing in excess of revenues are classified as Contract liabilities (Unearned revenues). Invoicing to the clients for fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled receivables for fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

The Company recognises an onerous cost provision for the estimated losses in the statement of profit and loss, when the total estimated cost exceeds the revenue in an arrangement based on the current contract estimates.

2.5 Leases

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.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use ("RoU") asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less (short term leases) and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an rent expense on a straight-line basis over the lease term.

The RoU assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The RoU assets are depreciated using the straight-line method from the commencement date over the shorter of lease term and useful life of RoU asset. The estimated useful lives of RoU assets are determined on the same basis as those of property, plant and equipment. RoU assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability,reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the RoU asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the RoU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

s.f.i

2 Significant Accounting Policies (Continued)

2.5 Leases (Continued)

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the RoU asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 to allocate the consideration in the contract.

The Company has made use of the following practical expedients available while applying Ind AS 116 -

- The Company has applied single discount rate to a portfolio of lease with reasonably similar characteristics.
- The Company has excluded initial direct costs from measurement of RoU assets at the date of transition.
- The Company has used hindsight, in determining the lease term if the contract contains options to extend or terminate the lease.
- The Company has recognised the rent concessions granted by the lessor due to the COVID-19 in the statement of profit and loss and has not considered it as lease modification.

2.6 Functional and presentation currency

Foreign currency

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rate prevailing on the date of the Balance Sheet. The resulting exchange difference on such restatement and settlement is recognised in the profit or loss, except exchange differences on transactions entered into in order to hedge certain foreign currency risk.

2.7 Borrowing Cost

Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in the profit or loss.

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HEXAWARE TECHNOLOGIES GmbH

Registered Office: Mainzer Landstr. 33,60329 Frankfurt am Main, Germany

(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

2 Significant Accounting Policies *(Continued)*

2.8 Employee Benefits

a) Post-employment benefits

Payments to defined contribution retirement schemes are recognised as an expense when the employees have rendered service entitling them to such benefits.

b) Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

c) Compensated absences

Compensated absences are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date.

2.9 Taxes on Income

Income tax expense comprises of current tax and deferred tax. Current and deferred tax are recognised in net income, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax is measured at the amount expected to be paid to tax authorities using enacted or substantively enacted tax rates .

Deferred taxes are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profits, except when the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profit at the time of the transaction.

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

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

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Advance taxes and provisions for current income taxes as well as deferred tax assets and liabilities are presented in the Balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the entity intends to settle the asset and liability on a net basis.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

s.f.i. [illegible]

HEXAWARE TECHNOLOGIES GmbH

Registered Office: Mainzer Landstr. 33,60329 Frankfurt am Main, Germany

(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

2 Significant Accounting Policies *(Continued)*

2.10 Property, plant and equipment (PPE)

PPE are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation and impairment loss, if any.

Depreciation

Depreciation is provided on straight-line method based on the estimated useful lives of the assets as determined by the management based on the expert technical advice/ stipulations of Schedule II to the Act.

Asset Class	Estimated useful Life
Computer Systems (included in Plant and Machinery)	3 years
Office Equipment	3-5 years
Electrical Fittings (included in Plant and Machinery)	8 years
Furniture and Fixtures	3-8 years

Improvement to Leasehold Premises are amortised over the lease period or useful life of an asset whichever is lesser.

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

2.11 Impairment

a) Financial assets (other than at fair value)

The Company assesses at each balance sheet date, whether a financial asset or a group of financial assets is impaired. Ind AS 109, "Financial Instruments" requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables. For all other financial assets except for investments, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. In case of investments, the Company periodically reviews its carrying value of investments for indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

b) Non-financial assets

Tangible and Intangible assets

At the end of each reporting period, the Company assesses whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs or allocated. Impairment loss is charged to the profit or loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.12 Provisions and contingent liability

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the Company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract is lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

i.V. R. [illegible]

2 Significant Accounting Policies (Continued)

2.13 Non derivative financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

A Financial assets and financial liabilities

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

(iii) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

(iv) Investment in subsidiaries

Investment in subsidiaries are carried at cost less impairment, if any.

(v) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(vi) Financial liabilities

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

B Derecognition of financial assets and financial liabilities

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

C Equity Instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

s.f.i.

HEXAWARE TECHNOLOGIES GmbH

Registered Office: Mainzer Landstr. 33,60329 Frankfurt am Main, Germany

(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

2 Significant Accounting Policies *(Continued)*

2.14 Earnings per share ('EPS')

Basic EPS is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.15 Interest income

Interest income is recognised using the effective interest method.

3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended December 31,2024 MCA has notified Ind AS 117 – Insurance Contracts applicable to the Company w.e.f. January 1, 2025. The Company has reviewed the new standard and based on its evaluation has determined that it does not have any significant impact in its financial information.

s.f. i.

HEXAWARE TECHNOLOGIES GmbH

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(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

4 Right-of-use assets and lease liabilities

A Right-of-use assets

	Office premises	Total
Cost as at January 01, 2024	-	-
Additions	715,133	715,133
Cost as at December 31, 2024	**715,133**	**715,133**
Accumulated amortization as at January 01, 2024	-	-
Amortization for the year	346,571	346,571
Accumulated amortization as at December 31, 2024	**346,571**	**346,571**
Net carrying amount as at December 31, 2024	**368,561**	**368,561**
Cost as at January 01, 2023	295,227	295,227
Expiry of lease	295,227	295,227
Cost as at December 31, 2023	-	-
Accumulated amortization as at January 01, 2023	221,435	221,435
Amortization for the year	73,792	73,792
Expiry of lease	(295,227)	(295,227)
Accumulated amortization as at December 31, 2023	-	-
Net carrying amount as at December 31, 2023	-	-

Interest on lease liabilities is EUR 24,711 and EUR 578 for the year ended December 31, 2024 and December 31, 2023, respectively.

Payments toward leases of low-value assets and leases with less than twelve months of lease term, are disclosed under operating activities in the statement of cash flows. All other lease payments during the year are disclosed under financing activities in the statement of cash flows.

B Lease liabilities

	Opening Balance	Payment of lease liabilities	Net additions to lease liability (non-cash)	Closing Balance
December 31, 2024	-	350,257	739,846	389,589
December 31, 2023	76,080	76,658	578	-

i.A. R. [illegible]

HEXAWARE TECHNOLOGIES GmbH

Registered Office: Mainzer Landstr. 33,60329 Frankfurt am Main, Germany

(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

5 Property, plant and equipment

	Plant and Machinery 1	Furniture and Fixtures	Office Equipment	Total
Cost as at January 01, 2024	25,974	20,000	1,560	47,534
Additions	21,239	6,655	15,335	43,229
Cost as at December 31, 2024	47,213	26,655	16,895	90,763
Accumulated depreciation as at January 01, 2024	18,291	12,499	1,560	32,350
Depreciation for the year	10,811	2,636	747	14,194
Accumulated depreciation as at December 31, 2024	29,102	15,135	2,307	46,544
Net carrying amount as at December 31, 2024	**18,111**	**11,520**	**14,588**	**44,219**

	Plant and Machinery 1	Furniture and Fixtures	Office Equipment	Total
Cost as at January 01, 2023	24,106	20,000	1,560	45,666
Additions	1,868	-	-	1,868
Cost as at December 31, 2023	25,974	20,000	1,560	47,534
Accumulated depreciation as at January 01, 2023	13,285	9,999	1,560	24,844
Depreciation for the year	5,006	2,500	-	7,506
Accumulated depreciation as at December 31, 2023	18,291	12,499	1,560	32,350
Net carrying amount as at December 31, 2023	**7,683**	**7,501**	-	**15,184**

Note:

1 Plant and machinery includes computer systems.

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HEXAWARE TECHNOLOGIES GmbH

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(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

6 Income taxes

A Income tax expense is allocated as follows :

	For the year ended December 31, 2024	For the year ended December 31, 2023
Income tax expense as per the Statement of Profit and Loss	207,357	223,000
	207,357	223,000

B The reconciliation of estimated income tax expense at the Indian statutory income tax rate to the income tax expenses reported in statement of profit and loss is as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Profit before tax	768,011	465,172
Expected tax expense at the enacted tax rate of 31.57% (Previous year 30%) in Germany	242,430	139,552
Tax charges/ (credit) pertaining to earlier years	(36,000)	37,000
Others	927	46,448
	207,357	223,000

C Deferred tax assets movement:

Significant components of net deferred tax assets for the year ended December 31, 2024 are as follows:

Components of deferred taxes	January 01, 2024	Recognised in profit or loss	Recognised in OCI	December 31, 2024
Deferred tax assets				
Leases liabilities	-	6,643	-	6,643
Total	-	6,643	-	6,643

HEXAWARE TECHNOLOGIES GmbH

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(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

7 Other financial assets

A Other financial assets - Non-current

	As at	
	December 31, 2024	December 31, 2023
Security deposits for premises and others	62,906	62,906
Total	62,906	62,906

B Other financial assets - Current

	As at	
	December 31, 2024	December 31, 2023
Loan to fellow subsidiary	2,500,000	2,500,000
Interest accrued on loan	11,458	11,076
Total	2,511,458	2,511,076

8 Other assets

Other assets - Current

	As at	
	December 31, 2024	December 31, 2023
Prepaid expenses	22,496	-
Employee advances	2,428	20,698
Contracts assets	598,013	1,214,659
Total	622,937	1,235,357

9 Trade receivables

A Trade receivables - Billed - Current (Unsecured)

	As at	
	December 31, 2024	December 31, 2023
Trade receivable - Billed	5,690,908	1,424,012
Less: Life time expected credit loss	(127,797)	(73,018)
Total	5,563,111	1,350,994

v.f.i. R.

HEXAWARE TECHNOLOGIES GmbH

Registered Office: Mainzer Landstr. 33, 60329 Frankfurt am Main, Germany

(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

9 Trade receivables (continued)

B Trade receivables ageing

Ageing for trade receivables as at December 31, 2024 is as follows:

	Not Due	Outstanding for following Years from due date of payment: Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivable - Billed							
Undisputed trade receivables - considered good	2,517,812	2,889,027	-	-	-	-	5,406,839
Disputed trade receivables - with significant increase in credit risk	118,121	40,879	125,069	-	-	-	284,069
	2,635,933	2,929,906	125,069	-	-	-	5,690,908
Less - Life time expected credit loss							(127,797)
							5,563,111
Trade Receivables - Unbilled							1,698,786
							7,261,897

Ageing for trade receivables as at December 31, 2023 is as follows:

	Not Due	Outstanding for following Years from due date of payment: Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	1,248,244	102,750	-	-	-	73,018	1,424,012
	1,248,244	102,750	-	-	-	73,018	1,424,012
Less - Life time expected credit loss							(73,018)
							1,350,994
Trade Receivables - Unbilled							330,045
							1,681,039

C The activity in the allowance for doubtful debts is given below:

	As at December 31, 2024	As at December 31, 2023
Balance at the beginning of the year	73,018	73,018
Additions / (write-back) during the year, net	54,779	-
Balance at the end of the year	127,797	73,018

s.f. i.
R.

K.S. BHATIA & ASSOCIATES
CHARTERED ACCOUNTANTS
15th FLOOR, 1504 D WING, RUSTOMJEE SEASONS MIG CHS LTD.
IV GANDHI NAGAR NEAR MMRDA OFFICE, BANDRA – EAST,
MUMBAI – 400051 M: 9322225270; EMAIL ID: ksbandco@yahoo.co.in

Independent Auditor's Report

TO THE MEMBERS OF Hexaware Technologies Belgium SRL

Report on the Audit of Special Purpose Ind AS Financial Statements

We have audited the special purpose Ind AS financial statements of Hexaware Technologies Belgium SRL ("The Company"), which comprise the Balance Sheet as at 31 December 2024, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the special purpose Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December 2024 and its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of Companies Act, 2013 ("the Act") and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Ind AS Financial Statements

The Company's management and board of directors are responsible for the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs.

This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management and board of directors are 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.

Board of directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 SAs 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 Ind AS financial statements.

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

● Identify and assess the risks of material misstatement of the Ind AS 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 entity'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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

K.S. BHATIA & ASSOCIATES
CHARTERED ACCOUNTANTS
15th FLOOR, 1504 D WING, RUSTOMJEE SEASONS MIG CHS LTD.
IV GANDHI NAGAR NEAR MMRDA OFFICE, BANDRA – EAST,
MUMBAI – 400051 M: 9322225270; EMAIL ID: ksbandco@yahoo.co.in

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For K. S. Bhatia & Associates
Chartered Accountants
(Firm's Registration No. 158315W)

KAUSHIK
SHANTIKUMAR
BHATIA

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Date: 2025.03.05 19:03:32 +05'30'

Kaushik S. Bhatia
Proprietor
(Membership No. 046908)
UDIN: 25046908BMLXPD9243

Mumbai, March 5, 2025

Hexaware Technologies Belgium SRL

Registered Office: Rue Des Colonies,11 BE 1000 Brussels, Belgium

(EUR, unless otherwise stated)

Balance Sheet as at December 31, 2024

	Note No.	As at December 31, 2024	As at December 31, 2023
ASSETS			
Non-current assets			
Income tax assets (net)		11,281	37
Total non-current assets		**11,281**	**37**
Current assets			
Financial assets:			
Trade receivables			
Billed	5	1,354,119	1,456,787
Unbilled		651,017	162,393
Cash and cash equivalents	6	5,305,710	1,149,496
Other current assets	7	5,979	1,161,313
Total current assets		**7,316,825**	**3,929,989**
TOTAL ASSETS		**7,328,106**	**3,930,026**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8	100,000	100,000
Other equity		253,439	97,133
Total equity		**353,439**	**197,133**
Current liabilities			
Financial liabilities:			
Trade payables			
Dues of micro enterprises and small enterprises	10A	-	-
Dues other than micro enterprises and small enterprises	10B	4,112,365	2,242,480
Other financial liabilities	9	249,268	321,223
Other current liabilities	11	2,528,146	1,110,848
Provisions			
Employee benefit obligations in respect of compensated absences		84,888	58,342
Total current liabilities		**6,974,667**	**3,732,893**
Total liabilities		**6,974,667**	**3,732,893**
TOTAL EQUITY AND LIABILITIES		**7,328,106**	**3,930,026**

The accompanying notes 1 to 20 form an integral part of the financial statements.

As per our report of even date attached

For K.S. Bhatia & Associates

Chartered Accountants

Firms' registration number :158315W

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Date: 2025.03.05 18:53:45 +05'30'

Kaushik Bhatia

Proprietor

Membership number: 046908

Place: Mumbai

Date:

For and on behalf of the Board

Amrinder Singh

Director

Hexaware Technologies Belgium SRL

Registered Office: Rue Des Colonies,11 BE 1000 Brussels, Belgium

(EUR, unless otherwise stated)

Statement of Profit And Loss for the year ended December 31, 2024

	Note No.	For the year ended December 31, 2024	For the year ended December 31, 2023
INCOME			
Revenue from operations	12	18,754,730	7,610,857
Other income	13	37,285	15,339
TOTAL INCOME		**18,792,015**	**7,626,196**
EXPENSES			
Employee benefits expense	14	2,026,242	1,621,605
Other expenses	15	16,537,967	5,889,543
TOTAL EXPENSES		**18,564,209**	**7,511,148**
PROFIT BEFORE TAX		**227,806**	**115,048**
Tax expense			
Current tax (Refer to note 4)		71,500	47,034
Prior period tax		-	48,384
Total tax expense		**71,500**	**95,418**
PROFIT/(LOSS) FOR THE YEAR		**156,306**	**19,630**
TOTAL OTHER COMPREHENSIVE INCOME		**-**	**-**
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		**156,306**	**19,630**
Earnings per share:- Basic and diluted (EUR)	16		
Basic and Diluted		15.63	1.96

The accompanying notes 1 to 20 form an integral part of the financial statements.

As per our report of even date attached

For K.S. Bhatia & Associates

Chartered Accountants

Firms' registration number :158315W

KAUSHIK SHANTIKUMAR BHATIA

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Date: 2025.03.05 18:54:11 +05'30'

Kaushik Bhatia

Proprietor

Membership number: 046908

Place: Mumbai

Date:

For and on behalf of the Board

Amrinder

Amrinder Singh

Director

Hexaware Technologies Belgium SRL

Registered Office: Rue Des Colonies,11 BE 1000 Brussels, Belgium

(EUR, unless otherwise stated)

Statement of Changes in Equity for the year ended December 31, 2024

A. EQUITY SHARE CAPITAL

Balance as at January 01, 2024	Changes in equity share capital during the year	Balance as at December 31, 2024
100,000	**-**	**100,000**

Balance as at January 01, 2023	Changes in equity share capital during the year	Balance as at December 31, 2023
100,000	**-**	**100,000**

B. OTHER EQUITY

	Reserves and Surplus	Total equity
	Retained earnings	
Balance as at January 01, 2024	97,133	97,133
Profit for the year	156,306	156,306
Balance as at December 31, 2024	**253,439**	**253,439**
Balance as at January 01, 2023	77,503	77,503
Profit for the year	19,630	19,630
Balance as at December 31, 2023	**97,133**	**97,133**

Retained earnings

Retained earnings comprise of the accumulated undistributed earnings.

The accompanying notes 1 to 20 form an integral part of the financial statements.

As per our report of even date attached

For K.S. Bhatia & Associates

Chartered Accountants

Firms' registration number :158315W

KAUSHIK SHANTIKUMAR BHATIA

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cn=KAUSHIK SHANTIKUMAR BHATIA
Date: 2025.03.05 18:54:26 +05'30'

Kaushik Bhatia

Proprietor

Membership number: 046908

Place: Mumbai

Date:

For and on behalf of the Board

Amrinder

Amrinder Singh

Director

Hexaware Technologies Belgium SRL

Registered Office: Rue Des Colonies,11 BE 1000 Brussels, Belgium

(EUR, unless otherwise stated)	**For the year ended**	
Statement of Cash Flows for the year ended December 31, 2024	**December 31, 2024**	**December 31, 2023**
Cash flow from operating activities		
Profit before tax	**227,806**	**115,048**
Adjustments for:		
Interest income	(45,822)	(19,464)
Operating profit before working capital changes	**181,984**	**95,584**
Adjustments for:		
Trade receivables and other assets	769,378	(1,944,067)
Trade payables, other liabilities and provisions	3,241,774	2,760,967
Cash generated from operations	**4,193,136**	**912,484**
Direct taxes paid (net)	(82,744)	(99,418)
Net cash generated from operating activities	**4,110,392**	**813,066**
Cash flow from investing activities		
Interest received	45,822	19,464
Net cash generated from investing activities	**45,822**	**19,464**
Net increase in cash and cash equivalents	**4,156,214**	**832,530**
Cash and cash equivalents at the beginning of the year	1,149,496	316,966
Cash and cash equivalents at the end of the year (Refer to note 6)	**5,305,710**	**1,149,496**

The accompanying notes 1 to 20 form an integral part of the financial statements.

As per our report of even date attached

For K.S. Bhatia & Associates

Chartered Accountants

Firms' registration number :158315W

KAUSHIK SHANTIKUMAR BHATIA

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Date: 2025.03.05 18:54:44 +05'30'

Kaushik Bhatia

Proprietor

Membership number: 046908

Place: Mumbai

Date:

For and on behalf of the Board

Amrinder Singh

Director

Hexaware Technologies Belgium SRL

Registered Office: Rue Des Colonies,11 BE 1000 Brussels, Belgium

(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

1 Company Overview

Hexaware Technologies Belgium SRL , incorporated on 15th March 2021 under the laws of Belgium, and commenced operations on January 1st, 2022, is a subsidiary of Hexaware Technologies UK Limited. These financial statement have been prepared & audited for purpose of consolidation with Hexaware Technologies Ltd.

The Company is actively involved in information technology consulting, software development, business process services, data and AI, cloud, Digital IT operations, and enterprise platforms. Hexaware delivers a range of services to clients across diverse industries, including travel, transportation, hospitality, logistics, banking, financial services, insurance, healthcare, manufacturing, retail, consumers, telecom, and utilities. The broad spectrum of service offerings encompasses application development and management, enterprise package solutions, infrastructure management, business intelligence and analytics, business process, digital assurance, testing, Generative AI, and sustainability.

2 Significant Accounting Policies

2.1 Statement of compliance

The financial statements comply in all material aspects with Indian Accounting standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act as amended from time to time..

2.2 Basis of Preparation

These financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which is measured at fair value or amortised cost at the end of each reporting period. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The accompanying financial statements have been prepared in EUR which is the functional currency of the Company.

2.3 Use of estimates and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of financial statements and the reported amounts of income and expenses for the periods presented.

The Company uses the following critical accounting estimates in preparation of its financial statements:

2.3.1 Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts expended to date, as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion, as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Cost to fulfill contract are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.3.2 Income-tax

Jurisdiction for the Company is Belgium. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax on unrecognised tax benefits. Tax assessment can involve complex issues, which can only be resolved over extended time periods.

2 Significant Accounting Policies *(Continued)*

2.3.3 Others

Others areas involving estimates relates to provision for the doubtful debts.

2.4 Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

In case of a contract on time and material basis, transaction-based or volume-based contracts, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognised using percentage of completion method. The Company uses the efforts expended to date as a proportion to the total efforts to be expended as a basis to measure the degree of completion. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated.

Revenues related to fixed-price maintenance, testing and business process services are recognised based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognised as the service is performed using the percentage of completion method.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Revenues in excess of billing are classified as Unbilled receivables while billing in excess of revenues are classified as Contract liabilities (Unearned revenues). Invoicing to the clients for fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled receivables for fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

The Company recognises an onerous cost provision for the estimated losses in the statement of profit and loss, when the total estimated cost exceeds the revenue in an arrangement based on the current contract estimates.

2.5 Leases

The Company follows s a single lessee accounting model and requires a lessee to recognized assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value as per Ind AS 116.

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.

2.6 Functional and presentation currency

Foreign currency

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rate prevailing on the date of the Balance Sheet. The resulting exchange difference on such restatement and settlement is recognised in the profit or loss, except exchange differences on transactions entered into in order to hedge certain foreign currency risk.

2.7 Borrowing Cost

Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in the profit or loss.

2 Significant Accounting Policies *(Continued)*

2.8 Employee Benefits

a) Post-employment benefits

Payments to defined contribution retirement schemes are recognised as an expense when the employees have rendered service entitling them to such benefits.

b) Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

c) Compensated absences

Compensated absences are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date.

2.9 Taxes on Income

Income tax expense comprises of current tax and deferred tax. Current and deferred tax are recognised in net income, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax is measured at the amount expected to be paid to tax authorities using enacted or substantively enacted tax rates .

Deferred taxes are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profits, except when the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profit at the time of the transaction.

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

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

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Advance taxes and provisions for current income taxes as well as deferred tax assets and liabilities are presented in the Balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the entity intends to settle the asset and liability on a net basis.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

2.10 Impairment

Financial assets (other than at fair value)

The Company assesses at each balance sheet date, whether a financial asset or a group of financial assets is impaired. Ind AS 109, "Financial Instruments" requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables. For all other financial assets except for investments, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. In case of Investments, the Company periodically reviews its carrying value of investments for indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

2.11 Provisions and contingent liability

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the Company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract is lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2 Significant Accounting Policies *(Continued)*

2.12 Non derivative financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

A Financial assets and financial liabilities – subsequent measurement

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

(iii) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

(iv) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(vi) Financial liabilities

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

B Derecognition of financial assets and financial liabilities

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

C Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

2 Significant Accounting Policies *(Continued)*

2.13 Earnings per share ('EPS')

Basic EPS is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.14 Interest income

Interest income is recognised using the effective interest method.

3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended December 31,2024 MCA has notified Ind AS 117 – Insurance Contracts applicable to the Company w.e.f. January 1, 2025. The Company has reviewed the new standard and based on its evaluation has determined that it does not have any significant impact in its financial information.

Hexaware Technologies Belgium SRL

Registered Office: Rue Des Colonies,11 BE 1000 Brussels, Belgium

(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

4 Income taxes

A Income tax expense is allocated as follows :

	For the year ended	
	December 31, 2024	**December 31, 2023**
Income tax expense as per the Statement of Profit and Loss	71,500	95,418
	71,500	**95,418**

B The reconciliation of estimated income tax expense at the statutory income tax rate to the income tax expenses reported

	For the year ended	
	December 31, 2024	**December 31, 2023**
Profit before tax	227,806	115,048
Expected tax expense at the enacted tax rate of 25% (previous year 25%)	56,952	28,762
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense :		
Tax effect of non-deductible expenses	13,840	16,758
Tax charges pertaining to earlier period	-	48,384
Others	708	1,514
	71,500	**95,418**

Hexaware Technologies Belgium SRL

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(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

5 Trade receivables

A Trade receivables - Billed - Current (Unsecured)

	As at	
	December 31, 2024	**December 31, 2023**
Trade receivable - Billed	1,354,119	1,456,787
Total	**1,354,119**	**1,456,787**

B Trade receivables ageing

Ageing for trade receivables as at December 31, 2024 is as follows:

	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivable - Billed							
Undisputed trade receivables – considered good	902,104	352,229	-	99,786	-	-	1,354,119
	902,104	352,229	-	99,786	-	-	1,354,119
Less - Life time expected credit loss							-
							1,354,119
Trade Receivables - Unbilled							651,017
							2,005,136

Hexaware Technologies Belgium SRL

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(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

B Trade receivables ageing (Continued)

Ageing for trade receivables as at December 31, 2023 is as follows:

	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivable - Billed							
Undisputed trade receivables – considered good	608,147	848,640	-	-	-	-	1,456,787
	608,147	848,640	-	-	-	-	1,456,787
Less - Life time expected credit loss							-
							1,456,787
Trade Receivables - Unbilled							162,393
							1,619,180

6 Cash and bank balances

Cash and cash equivalents	**As at December 31, 2024**	**As at December 31, 2023**
In current accounts with banks	5,305,710	1,149,496
Total	**5,305,710**	**1,149,496**

7 Other assets

Other assets – Current	**As at December 31, 2024**	**As at December 31, 2023**
Prepaid expenses	5,979	17,713
Employee advances	-	6,072
Contracts assets	-	1,137,528
Total	**5,979**	**1,161,313**

Hexaware Technologies Belgium SRL

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(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

8 Equity Share Capital

		As at	
8.1	**Authorised capital**	**December 31, 2024**	**December 31, 2023**
	10,000 equity shares of EUR 10/- each	100,000	100,000

		As at	
8.2	**Issued, subscribed and paid-up capital**	**December 31, 2024**	**December 31, 2023**
	10,000 equity shares of eur 10/- each fully paid	100,000	100,000

		As at	
8.3	**Reconciliation of number of shares**	**December 31, 2024**	**December 31, 2023**
	Shares outstanding at the beginning of the year	10,000	10,000
	Shares outstanding at the end of the year	**10,000**	**10,000**

8.4 Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of Euro 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

		As at	
8.5 Details of shares held by promoters and shareholders holding more than 5% shares		**December 31, 2024**	**December 31, 2023**
Name of the shareholder			
Hexaware Technologies UK Limited	No. of shares held	10,000	10,000
	% of holding	100%	100%

Hexaware Technologies Belgium SRL

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(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

9 Other financial liabilities

	As at December 31, 2024	As at December 31, 2023
Other financial liabilities - Current		
Employee liabilities	192,086	212,616
Liabilities towards customer contracts	57,182	108,607
Total	**249,268**	**321,223**

10 Trade payables

	As at December 31, 2024	As at December 31, 2023
A Dues of micro enterprises and small enterprises	-	-
Total	**-**	**-**
B Dues other than micro enterprises and small enterprises		
Trade payables	2,780,019	1,622,498
Accrued expenses	1,332,346	619,982
Total	**4,112,365**	**2,242,480**

C Trade payable ageing

Ageing for trade payables outstanding as at December 31, 2024 is as follows:

	Not Due	Outstanding for following periods from due date of payment: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables						
Undisputed	1,427,179	1,352,840	-	-	-	2,780,019
	1,427,179	1,352,840	-	-	-	2,780,019
Accrued Expenses						1,332,346
						4,112,365

Hexaware Technologies Belgium SRL

Registered Office: Rue Des Colonies,11 BE 1000 Brussels, Belgium

(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

C Trade payable ageing (Continued)

Ageing for trade payables outstanding as at December 31, 2023 is as follows:

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables						
Undisputed	791,137	831,361	-	-	-	1,622,498
	791,137	831,361	-	-	-	1,622,498
Accrued Expenses						619,982
						2,242,480

11 Other liabilities

	As at	
	December 31, 2024	**December 31, 2023**
Other liabilities - Current		
Statutory liabilities	830,912	244,250
Contract liabilities	1,697,234	866,598
Total	**2,528,146**	**1,110,848**

(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

12 Revenue from operations

12.1 Revenue disaggregation by geography is as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Geography		
Europe	18,618,073	7,452,406
Others	136,657	158,451
Total	**18,754,730**	**7,610,857**

12.2 Revenue disaggregation by contract type is as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Offshore	9,605,209	3,550,570
Onshore	9,149,521	4,060,287
Total revenue from operations	**18,754,730**	**7,610,857**

12.3 Revenue disaggregation by nature of service is as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Contracted price	18,816,312	7,610,857
Reductions towards variable consideration components (discounts, rebate)	(61,582)	-
Revenue recognised	**18,754,730**	**7,610,857**

12.4 Changes in Contract Liabilities are as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Balance as at the beginning of the year	866,598	-
Revenue recognised during the year	(538,102)	-
Addition during the year	1,368,738	866,598
Balance as at the end of the year	**1,697,234**	**866,598**

12.5 Contract Assets are as follows:

During the year ended December 31,2024 and December 31, 2023, EUR 1,137,528 and Nil of contract assets pertaining to fixed-price development contracts have been reclassified to receivables on completion of milestones.

12.6 Transaction price allocated to the remaining performance obligations

The remaining performance obligations represents contracted revenue that has not yet been recognized, which includes contract liabilities and amounts that will be invoiced and recognized as revenue in future periods.

	For the year ended	
	December 31, 2024	**December 31, 2023**
Within 1 year	7,950,796	3,239,424
More than 1 year	16,751,075	4,853,917

The Company has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date. The above revenue is subject to any changes in the transaction price.

(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

13 Other income

	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest income on financial assets at amortised cost	45,822	19,464
Exchange rate difference (net)	(8,537)	(4,125)
Total	**37,285**	**15,339**

14 Employee benefits expense

	For the year ended December 31, 2024	For the year ended December 31, 2023
Salary and allowances	1,652,396	1,304,800
Contribution to provident, other funds and benefits	362,213	297,600
Staff welfare expenses	11,633	19,205
Total	**2,026,242**	**1,621,605**

15 Other expenses

	For the year ended December 31, 2024	For the year ended December 31, 2023
Rent	45,942	44,745
Rates and taxes	-	510
Travelling and conveyance	3,695	1,510
Communication expenses	860	-
Repairs and maintenance	3,285	4,907
Printing and stationery	881	15
Payment to auditors		
Legal and professional fees	185,829	173,618
Advertisement and business promotion	21,495	30,770
Bank and other charges	13,134	7,124
Insurance charges	7,948	1,004
Sub contracting and other service charges	16,004,860	5,605,990
Staff recruitment expenses	-	8,154
Cost of Software Licenses	249,608	-
Miscellaneous expenses	430	11,195
Total	**16,537,967**	**5,889,543**

Hexaware Technologies Belgium SRL

Registered Office: Rue Des Colonies,11 BE 1000 Brussels, Belgium

(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

16 Earnings per share (EPS)

	For the year ended	
	December 31, 2024	December 31, 2023
The components of basic and diluted EPS:		
Net profit after tax	156,306	19,630
Weighted average outstanding equity shares considered for basic and diluted EPS	10,000	10,000
Basic and Diluted earnings per share	15.63	1.96

17 Related party disclosures

A Names of related parties	Country
Ultimate Holding Company	
Hexaware Global Limited (formerly knows as CA Campine Investments)	Mauritius
Subsidiaries of Ultimate Holding Company	
Hexaware Technologies Limited	India
Holding Company	
Hexaware Technologies UK Limited	UK

B Key Management Personnel (KMP)

Mr. Amrinder Singh

Mr. Augustine Kuthokathen

Mr. Shashank Sivakumar (w.e.f. March 18,2024)

C Details of transactions with related party

Sr no.	Particulars	Nature of Relationship	For the year ended	
			December 31, 2024	December 31, 2023
1	Software and Development Expenses	Subsidiary of Ultimate Holding	15,972,100	5,603,240
2	Software and Consultancy Income	Subsidiary of Ultimate Holding	-	146,951
3	Reimbursement of cost to	Subsidiary of Ultimate Holding	4,000	4,338
4	Recovery of Cost	Subsidiary of Ultimate Holding	2,164	-
		Holding Company	4,000	-

D Outstanding Balances

Sr no.	Particulars	Nature of Relationship	As at	
			December 31, 2024	December 31, 2023
1	Trade and Other Payable	Subsidiary of Ultimate Holding	4,018,725	2,168,675
2	Trade and Other Payable	Holding Company	-	28,550
3	Trade and Other Receivable	Holding Company	-	10,579
4	Trade and Other Receivable	Subsidiary of Ultimate Holding	107,388	107,388

Hexaware Technologies Belgium SRL

Registered Office: Rue Des Colonies,11 BE 1000 Brussels, Belgium

(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

18 Financial Instruments

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability

(i) The carrying value / fair value of financial instruments (other than investment in subsidiaries and associates) by categories as at December 31, 2024 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	5,305,710	-	-	-	5,305,710
Trade receivables - Billed	1,354,119	-	-	-	1,354,119
Trade receivables - Unbilled	651,017	-	-	-	651,017
Total	**7,310,846**	**-**	**-**	**-**	**7,310,846**
Trade payables	4,112,365	-	-	-	4,112,365
Other financial liabilities	249,268	-	-	-	249,268
Total	**4,361,633**	**-**	**-**	**-**	**4,361,633**

(ii) The carrying value / fair value of financial instruments (other than investment in subsidiaries and associate) by categories as at December 31, 2023 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	1,149,496	-	-	-	1,149,496
Trade receivables - Billed	1,456,787	-	-	-	1,456,787
Trade receivables - Unbilled	162,393	-	-	-	162,393
Total	**2,768,676**	**-**	**-**	**-**	**2,768,676**
Trade payables	2,242,480	-	-	-	2,242,480
Other financial liabilities	321,223	-	-	-	321,223
Total	**2,563,703**	**-**	**-**	**-**	**2,563,703**

Note

Carrying amount of cash and cash equivalents, trade receivables, unbilled revenue, trade payables and other financial liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant in each of the period presented.

(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

18 Financial Instruments (continued)

(iii) Financial risk management

The Company has identified the risk of client concentration risk, credit risk and liquidity risk. The Company has formulated policies, procedures and strategies for managing risks which is affirmed by management, after consultation with all business units, functions and department heads.

Client concentration risk

67% of the revenue of December 2024 is generated from 3 clients (previous year 66%) . Any loss or major downsizing by this client may impact Company's profitability. Further, excessive exposure to particular clients will limit Company's negotiating capacity and expose us to higher credit risk.

The Company is able to maintain a diversified high quality client roster that can be accessed through the depth of relationships with existing clients.

The Company's growth strategy involves a mix of new client addition and mining the accounts of existing clients. As we add more clients and grow our revenues from the existing clients, we naturally reduce our dependence on the large clients. Moreover, large clients allow quick scaling up of revenues and they come with much higher margins due to lower associated cost and higher cost predictability.

Credit risk

Since most of our transactions are done on credit, we are exposed to credit risk on accounts receivable. Any delay, default or inability on the part of the client to pay on time will expose us to credit risk and can impact our profitability. Our maximum credit exposure is in respect of trade receivables of EUR 1,354,119 and EUR 1,456,787 as at December 31, 2024 and December 31, 2023 respectively and unbilled revenue of EUR 651,017 and EUR 162,393 as at December 31, 2024 and December 31, 2023 respectively.

The Company adopted an effective receivable management system to control the Days' Sales Outstanding (DSO). Refer Note No 5 for the age wise analysis of trade receivables that are not due as well as past due and allowance for the doubtful receivables

Top 3 customer dues contribute 54% of the total outstanding as at December 31, 2024 (66% as at December 31, 2023).

Cash and cash equivalents include current account balances with banks.

(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

18 Financial Instruments (continued)

(iv) Foreign Currency fluctuations Risk

The company's transactions are predominantly in EUR and incurs foreign currency risk on transactions that are denominated by currency other than EUR such as USD, The company do not hedge any currency exposures.

The following table analyses foreign currency risk from financial instruments as at December 31, 2024 & 2023 :

	Net financial assets (A)	Net financial liabilitie (B)	Net assets/(liabilities (A-B)
As at December 31, 2024			
USD	155,014	11,669	143,345

10% depreciation/appreciation of the respective foreign currencies vis-a-vis functional currency of the Company would result in the increase/ decrease in Company's profit before tax approximately by EUR 14,334 and Nil for the year ended December 31,2024 and December 31, 2023.

(v) Liquidity risk

The Company needs continuous access to funds to meet short and long term strategic investments. The Company's inability to meet such requirements in stipulated period may hamper growth plan and even ongoing operations. Further, the Company's inability to quickly convert assets into cash without incurring any material loss will expose it to liquidity risks.

The company does not have any exposure to foreign currency.

The Company has increased its liquidity position by maintaining high cash / bank balances.

As at December 31, 2024, the Company had total cash / bank balance and investments of EUR 5,305,710 (previous year EUR 1,149,496), which constitutes approximately 72% (previous year 29%) of total assets. The Company does not have any debt and thus manages its liquidity requirements through funds generated from operations.

The tables below provide details of the contractual maturities of significant financial liabilities as at:

As at December 31, 2024	Less than 1 year	1-2 years	3-5 years	Beyond 5 years	Total
Trade and other payables	4,112,365	-	-	-	4,112,365
Others	249,268	-	-	-	249,268
Total	**4,361,633**	**-**	**-**	**-**	**4,361,633**

As at December 31, 2023	Less than 1 year	1-2 years	3-5 years	Beyond 5 years	Total
Trade and other payables	2,242,480	-	-	-	2,242,480
Others	321,223	-	-	-	321,223
Total	**2,563,703**	**-**	**-**	**-**	**2,563,703**

(vi) Interest rate risk

The Company does not have any debt. Hence, the Company is not exposed to interest rate risk.

Hexaware Technologies Belgium SRL

Registered Office: Rue Des Colonies,11 BE 1000 Brussels, Belgium

(EUR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

19 Segments

In accordance with Ind AS 108 'Operating Segment', the Company has disclosed Segment information on consolidated basis for the year ended December 31, 2024

20 Other updates

A Employee Benefits

The Company recognized EUR 362,213 (Previous year EUR 297,600) for Social security and pension contributions in profit and loss account. The contributions payable to these plans by the company are at rates specified in the rules of the schemes.

B Material events after Balance Sheet date:

There is no significant event after reporting date which requires amendments or disclosure to these condensed financial statements.

C Approval of the financial statements:

The financial statements were approved for issue by the Board of Directors on .

For and on behalf of the Board

Amrinder

Amrinder Singh

Director

Independent Auditor's Report

TO THE MEMBERS OF Hexaware Information Technologies (Shanghai) Company Limited

Report on the Audit of Special Purpose Ind AS Financial Statements

We have audited the special purpose Ind AS financial statements of Hexaware Information Technologies (Shanghai) Company Limited ("The Company"), which comprise the Balance Sheet as at 31 December 2024, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the special purpose Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December 2024 and its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of Companies Act, 2013 ("the Act") and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Ind AS Financial Statements

The Company's management and board of directors are responsible for the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs.

This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management and board of directors are 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.

Board of directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS Financial Statements
Our objectives are to obtain reasonable assurance about whether the Ind AS 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 SAs 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS 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 entity'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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For K. S. Bhatia & Associates
Chartered Accountants
(Firm's Registration No. 158315W)

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Kaushik S. Bhatia
Proprietor
(Membership No. 046908)
UDIN: 25046908BMLXOH8168

Mumbai, January 24, 2025

Hexaware Information Technologies (Shanghai) Company Limited

Room 605, Block 3, No.188 Aona Road, China (Shanghai) Free Trade Zone,Republic of China- 200131

Standalone Financial Statements under Indian Accounting Standards (Ind AS) as at December 31, 2024

Index **Page No**

Hexaware Information Technologies (Shanghai) Company Limited

Room 605, Block 3, No.188 Aona Road, China (Shanghai) Free Trade Zone,Republic of China- 200131

(Amount in CNY, except share and per share data, unless otherwise stated)

Standalone Balance Sheet

	Note No.	As at December 31, 2024	As at December 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	18,093	-
Income tax assets (net)		377,972	196,167
Other non-current assets	7A	4,000	-
Total non-current assets		**400,065**	**196,167**
Current assets			
Financial assets:			
Trade receivables			
Billed	8	230,968	114,277
Unbilled		232,206	122,460
Cash and cash equivalents	9	955,680	97,880
Other financial assets	6	1,000	1,000
Other current assets	7B	593	2,525
Total current assets		**1,420,447**	**338,142**
TOTAL ASSETS		**1,820,512**	**534,309**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	2,266,347	1,197,792
Other equity		(558,641)	(742,963)
Total equity		**1,707,706**	**454,829**
Current liabilities			
Financial liabilities:			
Trade payables			
Dues of other than micro enterprises and small enterprises	12	175	-
Other financial liabilities	11	37,500	47,500
Other current liabilities	13	75,131	31,980
Total current liabilities		**112,806**	**79,480**
Total liabilities		**112,806**	**79,480**
TOTAL EQUITY AND LIABILITIES		**1,820,512**	**534,309**

The accompanying notes 1 to 23 form an integral part of the Standalone financial statements.
As per our report of even date attached

For K. S. Bhatia & Associates
Chartered Accountants
Firm's Registration No :158315W

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Kaushik S. Bhatia
Proprietor
(Membership No. 046908)
Place: Mumbai
Date: January 24, 2025

For and on behalf of Hexaware Information Technologies (Shanghai) Company Limited

Amrinder Singh
Director
Place: Mumbai
Date: January 24, 2025

Hexaware Information Technologies (Shanghai) Company Limited
Room 605, Block 3, No.188 Aona Road, China (Shanghai) Free Trade Zone,Republic of China- 200131

(Amount in CNY, except share and per share data, unless otherwise stated)

Standalone Statement of Profit And Loss

	Note No.	For the year ended December 31, 2024	December 31, 2023
INCOME			
Revenue from operations	14	1,824,888	1,192,381
Other income	15	17,457	15,147
TOTAL INCOME		**1,842,345**	**1,207,528**
EXPENSES			
Employee benefits expense	16	1,608,339	938,785
Depreciation and amortisation expense	17	2,220	-
Other expenses	18	47,462	173,929
TOTAL EXPENSES		**1,658,021**	**1,112,714**
PROFIT BEFORE TAX		**184,324**	**94,814**
Tax expense			
PROFIT FOR THE YEAR		**184,324**	**94,814**
OTHER COMPREHENSIVE INCOME (OCI)			
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**184,324**	**94,814**
Earnings per equity share:- Basic and diluted	19	4,569	2,709

The accompanying notes 1 to 23 form an integral part of the Standalone financial statements.
As per our report of even date attached

For K. S. Bhatia & Associates
Chartered Accountants
Firm's Registration No :158315W

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Kaushik S. Bhatia
Proprietor
(Membership No. 046908)
Place: Mumbai
Date: January 24, 2025

For and on behalf of Hexaware Information Technologies (Shanghai) Company Limited

Amrinder Singh
Director

Place: Mumbai
Date: January 24, 2025

Hexaware Information Technologies (Shanghai) Company Limited
Room 605, Block 3, No.188 Aona Road, China (Shanghai) Free Trade Zone,Republic of China- 200131

(Amount in CNY, except share and per share data, unless otherwise stated)

Standalone Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

Balance as at January 01, 2024	Changes in equity share capital during the year	Balance as at December 31, 2024
1,197,792	1,068,555	2,266,347

Balance as at January 01, 2023	Changes in equity share capital during the year	Balance as at December 31, 2023
1,197,792	-	1,197,792

B. OTHER EQUITY

	Reserves and surplus	Other comprehensive income	Total equity
	Retained earnings		
Balance as at January 01, 2024	(742,963)	-	(742,963)
Profit for the year	184,324	-	184,324
Total comprehensive income	**184,324**	**-**	**184,324**
Balance as at December 31, 2024	**(558,639)**	**-**	**(558,639)**
Balance as at January 01, 2023	(837,777)	-	(837,777)
Profit for the year	94,814	-	94,814
Total comprehensive income	**94,814**	**-**	**94,814**
Balance as at December 31, 2023	**(742,963)**	**-**	**(742,963)**

The accompanying notes 1 to 23 form an integral part of the Standalone financial statements.
As per our report of even date attached

For K. S. Bhatia & Associates
Chartered Accountants
Firm's Registration No :158315W

For and on behalf of Hexaware Information Technologies (Shanghai) Company Limited

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Kaushik S. Bhatia
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(Membership No. 046908)
Place: Mumbai
Date: January 24, 2025

Amrinder Singh
Director
Place: Mumbai
Date: January 24, 2025

Hexaware Information Technologies (Shanghai) Company Limited
Room 605, Block 3, No.188 Aona Road, China (Shanghai) Free Trade Zone,Republic of China- 200131

(Amount in CNY, except share and per share data, unless otherwise stated)

Standalone Statement of Cash Flows	**For the year ended December 31, 2024**	**For the year ended December 31, 2023**
Cash flow from operating activities		
Profit before tax	**184,324**	**94,814**
Adjustments for:		
Depreciation and amortization expense	2,220	-
Interest income	(156)	(287)
Operating profit before working capital changes	**186,388**	**94,527**
Adjustments for:		
Trade receivables and other assets	(228,508)	6,774
Trade payables, other liabilities and provisions	33,326	(3,124)
Cash generated from operations	**(8,794)**	**98,177**
Direct taxes paid (net)	(181,805)	(122,736)
Net cash generated from operating activities	**(190,599)**	**(24,559)**
Cash flow from investing activities		
Purchase of PPE and intangible assets including CWIP and capital advances	(20,310)	-
Interest received	156	287
Net cash (used in) / generated from investing activities	**(20,154)**	**287**
Cash flow from financing activities		
Proceeds from issue of shares / share application money (net)	1,068,555	-
Net cash used in from financing activities	**1,068,555**	**-**
Net increase in cash and cash equivalents	**857,802**	**(24,272)**
Cash and cash equivalents at the beginning of the year	97,878	122,152
Cash and cash equivalents at the end of the year (Refer to note 9)	**955,680**	**97,880**

The statement of cash flows has been prepared using the indirect method as set out in Ind AS 7.

The accompanying notes 1 to 23 form an integral part of the Standalone financial statements.
As per our report of even date attached

For K. S. Bhatia & Associates
Chartered Accountants
Firm's Registration No :158315W

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Kaushik S. Bhatia
Proprietor
(Membership No. 046908)
Place: Mumbai
Date: January 24, 2025

For and on behalf of Hexaware Information Technologies (Shanghai) Company Limited

Amrinder Singh
Director

Place: Mumbai
Date: January 24, 2025

(Amount in CNY, except share and per share data, unless otherwise stated)

Notes forming part of Standalone Financial Statements for the year ended December 31, 2024

1 Company Overview

Hexaware Information Technologies (Shanghai) Company Limited incorporated on 15th December 2017. The Company is engaged in providing business process outsourcing / Call center services. It operates in various service lines like Human Resource outsourcing, Healthcare outsourcing, Finance/ Accounts Management and Knowledge Process Outsourcing. The Company is the Wholly Owned subsidiary of Hexaware Technologies Ltd India.

2 Material Accounting Policies

2.1 Statement of compliance

The standalone financial statements comply in all material aspects with Indian Accounting standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act as amended from time to time.

2.2 Basis of Preparation

These standalone financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which is measured at fair value or amortised cost at the end of each reporting period. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

2.3 Critical accounting judgements and key source of estimation uncertainty

The preparation of standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of standalone financial statements and the reported amounts of income and expenses for the periods presented.

The Company uses the following critical accounting estimates in preparation of its standalone financial statements:

2.3.1 Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts expended to date, as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion, as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Cost to fulfill contract are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.3.2 Income-tax

The major tax jurisdiction for the Company is India though the Company also files tax returns in overseas jurisdictions. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax on unrecognised tax benefits. Tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.3.3 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(Amount in CNY, except share and per share data, unless otherwise stated)

Notes forming part of Standalone Financial Statements for the year ended December 31, 2024

2 Material Accounting Policies (Continued)

2.3.4 Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2.3.5 Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

2.3.6 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.4 Property, plant and equipment (PPE)

PPE are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated

Depreciation

Depreciation is provided on straight-line method based on the estimated useful lives of the assets as determined by the management based on the expert technical advice/

Asset Class	Estimated useful Life
Computer Systems (included in Plant and Machinery)	3 years

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on

2.5 Financial assets and financial liabilities

(i) **Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(ii) **Financial liabilities**

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

2.6 Earnings per share ('EPS')

Basic EPS is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During 12 month period ended Decemeber 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

4 Right-of-use assets and lease liabilities
Right-of-use assets

	Office premises	Total
Cost as at January 01, 2024	61,075	61,075
Additions	-	-
Disposals / Remeasurement	(61,075)	(61,075)
Cost as at December 31, 2024	**-**	**-**
Accumulated amortization as at January 01, 2024	61,075	61,075
Amortisation for the year	-	-
Disposals / Remeasurement	(61,075)	(61,075)
Accumulated amortization as at December 31, 2024	**-**	**-**
Net carrying amount as at December 31, 2024	**-**	**-**
Cost as at January 01, 2023	61,075	61,075
	-	-
Disposals / Remeasurement	-	-
Cost as at December 31, 2023	**61,075**	**61,075**
Accumulated amortization as at January 01, 2023	61,075	61,075
Amortisation for the year	-	-
Disposals / Remeasurement	-	-
Accumulated amortization as at December 31, 2023	**61,075**	**61,075**
Net carrying amount as at December 31, 2023	**-**	**-**

(Amount in CNY, except share and per share data, unless otherwise stated)

Notes forming part of Standalone Financial Statements for the year ended December 31, 2024

5 Property, plant and equipment

Property, plant and equipment (PPE) consist of the following:

	Plant and Machinery	Total
Cost as at January 01, 2024	-	-
Additions	20,310	20,310
Capitalised		
(Disposals) / (Adjustments)	-	-
Cost as at December 31, 2024	20,310	20,310
Accumulated depreciation as at January 01, 2024	-	-
Depreciation for the year	2,220	2,220
(Disposals) / (Adjustments)	-	-
Accumulated depreciation as at December 31, 2024	2,220	2,220
Net carrying amount as at December 31, 2024	**18,090**	**18,090**
Cost as at January 01, 2023	-	-
Additions	-	-
(Disposals) / (Adjustments)	-	-
Cost as at December 31, 2023	-	-
Accumulated depreciation as at January 01, 2023	-	-
Depreciation for the year	-	-
(Disposals) / (Adjustments)	-	-
Accumulated depreciation as at December 31, 2023	-	-
Net carrying amount as at December 31, 2023	**-**	**-**

Notes forming part of Standalone Financial Statements for the year ended December 31, 2024

6 Other financial assets – Current

	As at December 31, 2024	As at December 31, 2023
Security deposits for premises and others	1,000	1,000
Total	**1,000**	**1,000**

7 Other assets

A Other assets – Non-current

	As at December 31, 2024	As at December 31, 2023
Prepaid expenses	4,000	-
Total	**4,000**	**-**

B Other assets – Current

	As at December 31, 2024	As at December 31, 2023
Prepaid expenses	593	2,525
Total	**593**	**2,525**

8 Trade receivables

Trade receivables - Billed - Current (Unsecured)

	As at December 31, 2024	As at December 31, 2023
Trade receivable - Billed	230,968	114,277
Considered good	**230,968**	**114,277**

B Trade receivables ageing

Ageing for trade receivables as at December 31, 2024 is as follows:

	Not Due	Outstanding for following periods from due date of payment			Total
		Less than 6 months	6 months - 1 year	More than 1 year	
Trade receivable - Billed					
Undisputed trade receivables– considered good	230,968	-	-	-	230,968
Disputed trade receivables– credit impaired	-	-	-	-	-
	230,968	-	-	-	230,968
Trade Receivables - Unbilled					232,206
					463,174

Ageing for trade receivables as at December 31, 2023 is as follows:

	Not Due	Outstanding for following periods from due date of payment			Total
		Less than 6 months	6 months - 1 year	More than 1 year	
Trade receivable - Billed					
Undisputed trade receivables– considered good	114,277	-	-	-	114,277
Disputed trade receivables– credit impaired	-	-	-	-	-
	114,277	-	-	-	114,277
Trade Receivables - Unbilled					122,460
					236,737

9 Cash and bank balances

Cash and cash equivalents

	As at December 31, 2024	As at December 31, 2023
In current accounts with banks	955,680	97,880
Total	**955,680**	**97,880**

(Amount in CNY, except share and per share data, unless otherwise stated)

Notes forming part of Standalone Financial Statements for the year ended December 31, 2024

10 Equity

	As at December 31, 2024	As at December 31, 2023
10.1 Authorised capital		
100 Equity shares of USD. 5000 each	3,420,000	3,420,000

	As at December 31, 2024	As at December 31, 2023
10.2 Issued, subscribed and fully paid-up capital		
65 Equity shares of USD. 5000 each	2,266,347	1,197,792

	As at December 31, 2024	As at December 31, 2023
10.3 Reconciliation of number of shares		
Shares outstanding at the beginning of the year	35	35
Shares issued during the year(30 equity shares of USD 5000 each)	30	-
Shares outstanding at the end of the year	**65**	**35**

10.4 Rights, preferences and restrictions attached to equity shares

The entire share capital is held by Hexaware Technologies Ltd India, the Holding Company since incorporation.The Company has one class of equity shares. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

10.5 Details of shares held by shareholders holding more than 5% shares		As at December 31, 2024	As at December 31, 2023
Name of the shareholder			
Hexaware Technologies Limited India	No. of shares held	65	35
	% of holding	100%	100%

10.6 Disclosure of shareholding of promoters

Promoter name	**December 31, 2024**		**December 31, 2023**	
	No. of shares	**% of total shares**	**No. of share**	**% of total shares**
Hexaware Technologies Limited India	65	100%	35	100%

(Amount in CNY, except share and per share data, unless otherwise stated)

Notes forming part of Standalone Financial Statements for the year ended December 31, 2024

11 Other financial liabilities

	As at December 31, 2024	As at December 31, 2023
Other financial liabilities - Current		
Employee liabilities	37,500	47,500
Total	**37,500**	**47,500**

12 Trade payables

	As at December 31, 2024	As at December 31, 2023
Accrued expenses	175	-
Total	**175**	**-**

(Amount in CNY, except share and per share data, unless otherwise stated)

Notes forming part of Standalone Financial Statements for the year ended December 31, 2024

13 Other liabilities

	As at	
	December 31, 2024	**December 31, 2023**
Other liabilities - Current		
Statutory liabilities	75,131	31,980
Total	**75,131**	**31,980**

14 Revenue

14.1 Revenue disaggregation by geography is as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Geography		
Asia Pacific	1,824,888	1,192,381
Total	**1,824,888**	**1,192,381**

14.2 Revenue disaggregation by contract type is as follows :

	For the year ended	
	December 31, 2024	**December 31, 2023**
Onshore	100%	100%
Total revenue from operations	**100%**	**100%**

(Amount in CNY, except share and per share data, unless otherwise stated)

Notes forming part of Standalone Financial Statements for the year ended December 31, 2024

15 Other income

	For the year ended	
	December 31, 2024	**December 31, 2023**
Interest income on financial assets at amortized cost	156	287
Exchange rate difference (net)	13,980	(1,662)
Miscellaneous income	3,321	16,522
Total	**17,457**	**15,147**

16 Employee benefits expense

	For the year ended	
	December 31, 2024	**December 31, 2023**
Salary and allowances	1,317,225	704,256
Contributions to provident and other funds	291,114	233,273
Staff welfare expenses	-	1,256
Total	**1,608,339**	**938,785**

17 Depreciation and amortisation expense

		-
	December 31, 2024	**December 31, 2023**
Depreciation on Property, plant and equipment	2,220	-
Total	**2,220**	**-**

18 Other expenses

		-
	December 31, 2024	**December 31, 2023 mb**
Rent	4,104	4,179
Rates and taxes	2,507	(3,501)
Travelling and conveyance	24,119	23,360
Communication expenses	1,088	601
Repairs and maintenance	-	999
Legal and professional fees	13,746	23,783
Bank and other charges	1,898	4,430
Subcontracting charges	-	120,078
Total	**47,462**	**173,929**

Notes forming part of Standalone Financial Statements for the year ended December 31, 2024

19 Earnings per share (EPS)

	For the year ended	
	December 31, 2024	**December 31, 2023**
The components of basic and diluted EPS:		
Net profit after tax	184,324	94,814
Weighted average outstanding equity shares considered for basic EPS	40	35
Basic earnings per share	4,569	2,709
Weighted average outstanding equity shares considered for basic EPS	40	35
Add: Effect of dilutive issue of stock options	-	-
Weighted average outstanding equity shares considered for diluted EPS	40	35
Diluted earnings per share	4,569	2,709

20 Related party disclosures

Names of related parties	**Country**
Ultimate Holding Company and it's subsidiaries	
Hexaware Global Limited (Ertstwhile CA Campine Investments)	Mauritius
Holding Company (control exists)	
Hexaware Technologies Limited	India

Key Management Personnel (KMP)

Shyam Mansukhani

Notes forming part of Standalone Financial Statements for the year ended December 31, 2024

20 Related party disclosures (Continued)

Details of transactions and balances with party wise details for transactions in excess of 10% of the total transactions

Nature of transactions	Name of the Related party and Relationship	For the year ended December 31, 2024	December 31, 2023
Software and consultancy income	**Holding Company**		
	Hexaware Technologies Limited(India)	1,824,888	1,192,381
		1,824,888	**1,192,381**
Trade, other receivable and Accrual	**Holding Company**		
	Hexaware Technologies Limited(India)	463,174	236,737
		463,174	**236,737**
Share Capital	**Subsidairies**		
	Hexaware Technologies Limited(India)	2,266,347	1,197,792
		2,266,347 -	**1,197,792**

(Amount in CNY, except share and per share data, unless otherwise stated)

Notes forming part of Standalone Financial Statements for the year ended December 31, 2024

21 Financial Instruments

(i) The carrying value / fair value of financial instruments (other than investment in subsidiaries and associates) by categories as at December 31, 2024 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Total carrying / fair value
Cash and cash equivalents	955,680	-	-	955,680
Trade receivables - Billed	230,968	-	-	230,968
Trade receivables - Unbilled	232,206	-	-	232,206
Other financial assets	1,000	-	-	1,000
Total	**464,174**	**-**	**-**	**464,174**
Trade payables	175	-	-	175
Other financial liabilities	37,500	-	-	37,500
Total	**37,675**	**-**	**-**	**37,675**

The carrying value / fair value of financial instruments (other than investment in associate) by categories as at December 31, 2023 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Total carrying / fair value
Cash and cash equivalents	97,880	-	-	97,880
Trade receivables - Billed	114,277	-	-	114,277
Trade receivables - Unbilled	122,460	-	-	122,460
Other financial assets	1,000	-	-	1,000
Total	**335,617**	**-**	**-**	**335,617**
Other financial liabilities	47,500	-	-	47,500
Total	**47,500**	**-**	**-**	**47,500**

22 Additional Regulatory Information - Financial ratios

Ratio	Numerator	Denominator	Current year	Previous year	% variance
Current ratio (in times)	Total Current Assets	Total Current Liability	12.59	4.25	196%
Debt-equity ratio (in times)	Debt including and lease liabilities	Total Equity	-	-	0%
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest+ Other non-cash adjustments	Debt service = Interest, lease and principal repayments	-	-	0%
Return on equity ratio (in %)	Profit for the year less preference dividend	Average total equity	17.05%	23.27%	-27%
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables (including unbilled receivables and contract asset)	5.21	4.97	5%
Trade payables turnover ratio (in times)	Other operating expenses (net of doubtfull debts)	Average trade payables	542.42	-	0%
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (Total current assets less Total current liabilities)	2.33	4.38	-47%
Net profit ratio (in %)	Profit for the year	Revenue from operations	10.10%	7.95%	27%
Return on capital employed (in %)	Profit before interest and tax	Tangible Net Worth + Debt (including lease liability) + Deferred Tax Liability	10.79%	20.85%	-48%

(Amount in CNY, except share and per share data, unless otherwise stated)

Notes forming part of Standalone Financial Statements for the year ended December 31, 2024

23 Other updates

A Material events after Balance Sheet date:
There is no significant event after reporting date which requires amendments or disclosure to these standalone financial statements.

B Approval of the financial statements:
The Standalone financial statements were approved for issue by the Board of Directors on January 24, 2025.

For K. S. Bhatia & Associates
Chartered Accountants
Firm's Registration No :158315W

KAUSHIK SHANTIKUMAR BHATIA

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Kaushik S. Bhatia
Proprietor
(Membership No. 046908)
Place: Mumbai
Date: January 24, 2025

For and on behalf of Hexaware Information Technologies (Shanghai) Company Limited

Amrinder Singh
Director

Place: Mumbai
Date: January 24, 2025

K.S. BHATIA & ASSOCIATES
CHARTERED ACCOUNTANTS
15th FLOOR, 1504 D WING, RUSTOMJEE SEASONS MIG CHS LTD.
IV GANDHI NAGAR NEAR MMRDA OFFICE, BANDRA – EAST,
MUMBAI – 400051 M: 9322225270; EMAIL ID: ksbandco@yahoo.co.in

Independent Auditor's Report

TO THE MEMBERS OF Hexaware Technologies Hong Kong Limited

Report on the Audit of Special Purpose Ind AS Financial Statements

We have audited the special purpose Ind AS financial statements of Hexaware Technologies Hong Kong Limited ("The Company"), which comprise the Balance Sheet as at 31 December 2024, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the special purpose Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December 2024 and its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of Companies Act, 2013 ("the Act") and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Ind AS Financial Statements

The Company's management and board of directors are responsible for the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs.

This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management and board of directors are 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.

Board of directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 SAs 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 Ind AS financial statements.

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

• Identify and assess the risks of material misstatement of the Ind AS 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 entity'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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

K. S. Bhatia & Associates
Mumbai
FRN: 158315W
M. No.
Chartered Accountants

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For K. S. Bhatia & Associates
Chartered Accountants
(Firm's Registration No. 158315W)

Kaushik S. Bhatia
Proprietor
(Membership No. 046908)
UDIN: 25046908BMLTOW6434

K. S. Bhatia & Associates Mumbai FRN: 158315W M. No.: 046908 Chartered Accountants

Mumbai, February 25, 2025

Hexaware Technologies Hong Kong Limited

Room 1906 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hongkong

Financial Statements as at December 31, 2024

Hexaware Technologies Hong Kong Limited

Room 1906 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hongkong

(HKD, except share and per share data, unless otherwise stated)

Balance Sheet as at December 31, 2024

	Note No.	As at December 31, 2024	As at December 31, 2023
ASSETS			
Current assets			
Financial assets:			
Trade receivables			
Billed	8	3,811,987	234,153
Unbilled		343,883	270,239
Cash and cash equivalents	9	3,277,831	6,800,195
Other financial assets	6B	-	-
Income tax assets (net)		1,578,740	1,180,750
Other current assets	7	4,253	6,987
Total current assets		**9,016,694**	**8,492,324**
TOTAL ASSETS		**9,016,694**	**8,492,324**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	4	1,945,000	1,945,000
Other equity		6,773,086	6,371,340
Total equity		**8,718,086**	**8,316,340**
Current liabilities			
Financial liabilities:			
Trade payables	11	139,411	30,915
Other financial liabilities	10	47,500	47,500
Provisions			
Employee benefit obligations in respect of compensated absences and others	13	111,697	97,569
Total current liabilities		**298,608**	**175,984**
Total liabilities		**298,608**	**175,984**
TOTAL EQUITY AND LIABILITIES		**9,016,694**	**8,492,324**

The accompanying notes 1 to 24 form an integral part of the Standalone financial statements.

As per our report of even date attached

For K. S. Bhatia & Associates

Chartered Accountants

FRN:158315W

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Kaushik Bhatia

Proprietor [Mem No: 046908]

Place: Mumbai

Date: February 25, 2025

For and on behalf of the board of director

Amrinder

Amrinder Singh

Director

Place : Dubai

Date: February 25, 2025

Hexaware Technologies Hong Kong Limited

Room 1906 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hongkong

(HKD, except share and per share data, unless otherwise stated)

Statement of Profit And Loss

		For the year ended	
	Note No.	**December 31, 2024**	**December 31, 2023**
INCOME			
Revenue from operations	14	4,053,538	3,063,239
Other income	15	(1,035)	(558)
TOTAL INCOME		**4,052,503**	**3,062,681**
EXPENSES			
Employee benefits expense	16	3,218,345	2,515,403
Other expenses	17	432,411	349,586
TOTAL EXPENSES		**3,650,756**	**2,864,989**
PROFIT BEFORE ASHARE IN PROFIT OF ASSOCIATE AND TAX		**401,747**	**197,692**
Share in profit of associate (Net of tax)		-	-
PROFIT BEFORE TAX		**401,747**	**197,692**
Tax expense			
Current tax		-	-
Total tax expense		-	-
PROFIT FOR THE PERIOD		**401,747**	**197,692**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**401,747**	**197,692**
Earnings per equity share (EPS)			
Basic and Diluted	18	0.20	0.10

The accompanying notes 1 to 24 form an integral part of the Standalone financial statements.

As per our report of even date attached

For K. S. Bhatia & Associates
Chartered Accountants
FRN:158315W

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Kaushik Bhatia
Proprietor [Mem No: 046908]

Place: Mumbai
Date: February 25, 2025

Amninder

Amrinder Singh
Director

Place : Dubai
Date: February 25, 2025

Hexaware Technologies Hong Kong Limited

Room 1906 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hongkong

(HKD, except share and per share data, unless otherwise stated)

Statement of Changes in Equity

	As at December 31, 2024	As at December 31, 2023
A. EQUITY SHARE CAPITAL		
Outstanding at the beginning of the period	1,945,000	**1,945,000**
Outstanding at the end of the period	**1,945,000**	**1,945,000**

OTHER EQUITY

	Reserves and surplus		Total equity
	General reserve	Retained earnings	
Balance as at January 01, 2024	-	6,371,340	6,371,340
Profit for the period	-	401,747	401,747
Total comprehensive income	**-**	**6,773,087**	**6,773,087**
Balance as at December 31, 2024	**-**	**6,773,087**	**6,773,087**
Balance as at January 01, 2023	-	6,173,648	6,173,648
Profit for the period	-	197,692	197,692
Total comprehensive income	**-**	**6,371,340**	**6,371,340**
Balance as at December 31, 2024	**-**	**6,371,340**	**6,371,340**

The accompanying notes 1 to 24 form an integral part of the Standalone financial statements.

As per our report of even date attached

For K. S. Bhatia & Associates
Chartered Accountants

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Kaushik Bhatia
Proprietor [Mem No: 046908]

Place: Mumbai
Date: February 25, 2025

For and on behalf of the board of director

Amrinder

Amrinder Singh
Director

Place : Dubai
Date: February 25, 2025

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Hexaware Technologies Hong Kong Limited

Room 1906 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hongkong

(HKD, except share and per share data, unless otherwise stated)

Statement of Cash Flows for year ended December 31, 2024

	For the year ended	
	December 31, 2024	**December 31, 2023**
Cash flow from operating activities		
Profit before tax	**401,747**	**197,692**
Adjustments for:		
Interest income	(44)	(419)
Operating profit before working capital changes	**401,703**	**197,273**
Adjustments for:		
Trade receivables and other assets	(3,648,744)	354,116
Trade payables, other liabilities and provisions	122,623	(228,766)
Cash generated from / (used in) operations	**(3,124,418)**	**322,623**
Direct taxes paid (net)	(397,989)	(310,101)
Net cash generated from / (used in) operating activities	**(3,522,407)**	**12,522**
Cash flow from investing activities		
Interest received	44	419
Net cash used in investing activities	**44**	**419**
Net increase in cash and cash equivalents	**(3,522,364)**	**12,941**
Cash and cash equivalents at the beginning of the period	6,800,195	6,787,254
Cash and cash equivalents at the end of the period (Refer to note 9)	**3,277,831**	**6,800,195**

The accompanying notes 1 to 24 form an integral part of the Standalone financial statements.

As per our report of even date attached

For K. S. Bhatia & Associates

Chartered Accountants

FRN:158315W

KAUSHIK SHANTIKUMAR BHATIA

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Kaushik Bhatia

Proprietor [Mem No: 046908]

Place: Mumbai

Date: February 25, 2025

For and on behalf of the board of director

Amrinder

Amrinder Singh

Director

Place : Dubai

Date: February 25, 2025

Notes to the Financial Statements

1 Company overview

Hexaware Technologies Hong Kong Ltd., incorporated on 24th April 2017 under the laws of Hong Kong, is a subsidiary of Hexaware Technologies Limited. These Financial Statement have been prepared & audited for purpose of consolidation with the holding company.

The Company is engaged in information technology consulting, software development and business process management. Hexaware provides multiple service offerings to its clients across various industries comprising travel, transportation, hospitality, logistics, banking, financial services, insurance, healthcare, manufacturing, consumer and services. The various service offerings comprise application development and management, enterprise package solutions, infrastructure management, business intelligence and analytics, business process, digital assurance and independent testing.

2 Significant accounting policies

2.1 Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards and its interpretations ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

2.2 Basis of preparation

These financial statements are prepared on historical cost basis, except for certain financial instruments which are measured at fair values as explained in the accounting policies below.

These financial statements have been prepared in Singapore Dollars (S $) which is the functional currency of the Company.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

2.3 Critical accounting judgements and key source of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expense, assets and liabilities and disclosures relating to contingent liabilities on the date of the financial statements. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the period in which the estimate is revised and in any future period affected.

Key source of estimation uncertainty which may cause material adjustments:

2.3.1 Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts expended to date as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Cost to fulfill contract are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.3.2 Income-tax

The major tax jurisdiction for the Company is India though the Company also files tax returns in overseas jurisdictions. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax on unrecognised tax benefits. Tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.3.3 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2 Significant Accounting Policies (Continued)

2.3.4 Others

Other areas involving estimates relates to actuarial assumptions used to determine the carrying amount of defined benefit obligation, estimation of fair value of share based payment transactions and useful lives of Property Plant and Equipment.

2.4 Revenue recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

In case of contract on time and material basis, transaction-based or volume-based contracts, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognized using percentage of completion method. The Company uses the efforts expended to date as a proportion to the total efforts to be expended as a basis to measure the degree of completion. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated.

Revenue related to fixed-price maintenance, testing and business process services are recognized based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognized as the service is performed using the percentage of completion method.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Revenues in excess of billing are classified as Unbilled receivables while billing in excess of revenues are classified as Contract liabilities (Unearned revenues). Invoicing to the clients for fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled receivables for fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

The Company recognizes an onerous cost provision for the estimated losses in the statement of profit and loss, when the total estimated cost exceeds the revenue in an arrangement based on the current contract estimates.

2.5 Leases

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.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use ("RoU") asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The Company has elected not to apply the requirements of IFRS 16 to short-term leases of all assets that have a lease term of 12 months or less (short term leases) and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an rent expense on a straight-line basis over the lease term.

The RoU assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The RoU assets are depreciated using the straight-line method from the commencement date over the shorter of lease term and useful life of RoU asset. The estimated useful lives of RoU assets are determined on the same basis as those of property, plant and equipment. RoU assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the RoU asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the RoU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

2 Significant Accounting Policies *(Continued)*

2.5 Leases (Continued)

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the RoU asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies IFRS 15 to allocate the consideration in the contract.

The Company has made use of the following pratical expedients available while applying IFRS 16 -

- The Company has applied single discount rate to a portfolio of lease with reasonably similar characteristics.
- The Company has excluded initial direct costs from measurement of RoU assets at the date of transition.
- The Company has used hindsight, in determining the lease term if the contract contains options to extend or terminate the lease.

2.6 Functional and presentation currency

These financial statements are presented in Singapore Dollars, the currency of the primary economic environment in which the Company operates.

Foreign currency

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rate prevailing on the date of Balance Sheet. The resulting exchange difference on such restatement and settlement is recognized in the profit or loss, except exchange differences on transactions entered into in order to hedge certain foreign currency risk.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.7 Borrowing Cost

Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in the profit or loss.

2 Significant Accounting Policies *(Continued)*

2.8 Employee Benefits

Employee benefits are recognised as an expense.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contribtions into separate entities such as the Central Provident Fund ("CPF") on a mandatory, contractual or voluntary basis. The Company has no further payment onligations once the contributions have been paid.

Employee leave intitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made of estimated liability for leave as a result of services rendered by employees up to the end of reporting period.

2.9 Taxes on Income

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when it affects neither the taxable profit nor the accounting profit at the time of the transaction.

A deferred income tax liability is recognised for all taxable temporary differences arising on property, plant and equipment, except where the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

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

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and

(ii) based on the tax consequence that will follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amounts of its assets and liabilities.

2 Significant Accounting Policies (Continued)

2.10 Property, plant and equipment (PPE)

PPE are stated at cost of acquisition less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation

Depreciation is provided on straight-line method based on the estimated useful lives of the assets as follows:

Asset Class	Estimated useful Life
Computer Systems (included in Plant and Machinery)	3 years
Office Equipment	5 years
Electrical Fittings (included in Plant and Machinery)	8 years
Furniture and Fixtures	8 years

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

2.11 Impairment

a) Financial assets (other than at fair value)

The Company assesses at each balance sheet date, whether a financial asset or a group of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

b) Non-financial assets - Tangible assets

At the end of each reporting period, the Company assesses whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs or allocated. Impairment loss is charged to the profit or loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.12 Provisions

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.

2 Significant Accounting Policies (Continued)

2.13 Non derivative financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

A Financial assets and financial liabilities – measurement

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held with a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held with a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

(iv) Investment in associate

Investment in associate is carried at cost less impairment, if any, in accordance with IAS27 - separate financial statements.

(v) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(vi) Financial liabilities

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

2.14 Share capital

Equity shares

Incremental costs directly attributable to the issue or re-purchase of equity shares, net of any tax effects, are recognised as a deduction from equity.

2.15 Earnings per share ('EPS')

Basic EPS are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

3 Recent accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended December 31,2024 MCA has notified Ind AS 117 – Insurance Contracts applicable to the Company w.e.f. January 1, 2025. The Company has reviewed the new standard and based on its evaluation has determined that it does not have any significant impact in its financial information.

4 Equity Share Capital

4.1 Authorised capital	December 31, 2024 Amount	December 31, 2023 Amount
	2,000,000	2,000,000

4.2 Issued, subscribed and paid-up capital

	December 31, 2024 Amount	December 31, 2023 Amount
Equity shares issued at no par value	1,945,000	1,945,000

4.3 There has been no movement in number of shares during the period ended December 31st, 2024 and December 31st, 2023.

4.4 The Company has been a wholly owned subsidiary of Hexaware Technologies Limited since incorporation.

4.5 There were no shares allotted as fully paid up by way of bonus shares during five years preceding December 31st, 2024.

4.6 Rights, preferences and restrictions attached to equity shares:

- The Company only has one class of equity shares which is ordinary shares. Each shareholder is eligible for one vote per share held.

- In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Hexaware Technologies Hong Kong Limited

(HKD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

5 Investments

	As at December 31, 2024	As at December 31, 2023
Non current investments in equity shares (unquoted)	-	-
	-	-

6 Other financial assets

A Other financial assets – Non-current	**As at December 31, 2024**	**As at December 31, 2023**
Restricted bank balances	-	-
Security deposits for premises and others	-	-
Total	-	-

B Other financial assets – Current	**As at December 31, 2024**	**As at December 31, 2023**
Others receivables from related parties	-	-
Total	-	-

7 Other assets

Other assets – Current	**As at December 31, 2024**	**As at December 31, 2023**
Prepaid expenses	4,253	6,987
Total	**4,253**	**6,987**

Hexaware Technologies Hong Kong Limited

(HKD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

8 Trade receivables

A Trade receivables - Billed - Current (Unsecured)	As at December 31, 2024	As at December 31, 2023
Considered good	3,811,987	234,153
Considered doubtful	-	-
	3,811,987	**234,153**
Less: Allowance for doubtful debts	-	-
Total	**3,811,987**	**234,153**

B Trade receivables ageing

Ageing for trade receivables as at December 31, 2024 is as follows:

	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good (RPT)	-	1,994,601	1,817,386	-	-	-	**3,811,987**
Undisputed trade receivables	-	-	-	-	-	-	-
	-	1,994,601	1,817,386	-	-	-	3,811,987
Less - Allowance for Doubtful trade receivable							-
							3,811,987
Unbilled receivables							-
							3,811,987

Ageing for trade receivables as at December 31, 2023 is as follows:

	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good (RPT)	229,666	4,487	-	-	-	-	**234,153**
Undisputed trade receivables	-	-	-	-	-	-	-
	229,666	4,487	-	-	-	-	234,153
Less - Allowance for Doubtful trade receivable							-
							234,153
Unbilled receivables							-

9 Cash and bank balances

Cash and cash equivalents	As at December 31, 2024	As at December 31, 2023
In current accounts with banks	3,277,831	6,800,195
Margin money with banks	-	-
	3,277,831	**6,800,195**
Less: Restricted bank balances	-	-
Total	**3,277,831**	**6,800,195**

10 Other financial liabilities

	As at December 31, 2024	As at December 31, 2023
Other financial liabilities - Current		
Employee liabilities	47,500	47,500
Total	**47,500**	**47,500**

11 Trade payables

	As at December 31, 2024	As at December 31, 2023
A Dues of other than micro enterprises and small enterprises		
Trade payables	88,261	-
Accrued expenses	51,150	30,915
Total	**139,411**	**30,915**

12 Other current Liabilities

	As at December 31, 2024	As at December 31, 2023
Unearned revenues	-	-
	-	-

13 Provisions

	As at December 31, 2024	As at December 31, 2023
Provisions - Current		
Employee benefit obligations in respect of compensated absences and others	111,697	97,569
	111,697	**97,569**

Hexaware Technologies Hong Kong Limited

(HKD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

14 Revenue

14.1 Revenue disaggregation by contract type is as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Onshore	4,053,538	3,063,239
Total revenue from operations	**4,053,538**	**3,063,239**

14.2 Revenue disaggregation by geography is as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
APAC	4,053,538	3,063,239
	4,053,538	**3,063,239**

(HKD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

15 Other income

	For the year ended	
	December 31, 2024	December 31, 2023
Interest income	44	419
Exchange rate difference (net)	(1,079)	(977)
Total	**(1,035)**	**(558)**

16 Employee benefits expense

	For the year ended	
	December 31, 2024	December 31, 2023
Salary and allowances	3,114,230	2,423,040
Contribution to provident, other funds and benefits	103,500	90,000
Staff welfare expenses	615	2,363
Total	**3,218,345**	**2,515,403**

17 Other expenses

	For the year ended	
	December 31, 2024	December 31, 2023
Travelling and conveyance	28,572	20,748
Printing and stationery	180	-
Audit fees	11,550	12,600
Legal and professional fees	250,202	218,854
Bank and other charges	23,746	23,317
Insurance charges	37,161	26,290
Sub contracting and other service charges	-	47,777
Staff recruitment expenses	81,000	-
Total	**432,411**	**349,586**

Hexaware Technologies Hong Kong Limited

(HKD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

18 Earnings per share (EPS)

	For the year ended December 31, 2024	For the year ended December 31, 2023
The components of basic and diluted EPS:		
Net profit after tax	401,747	197,692
Weighted average outstanding equity shares considered for basic EPS (Nos.)	2,000,000	2,000,000
Basic earnings per share	0.20	0.10

19 Related party disclosures

19.1 Names of related parties	Country
Ultimate Holding Company and it's subsidiaries	
CA Magnum Holdings	Mauritius
Holding Company	
Hexaware Technologies Limited, India	India
Key Management Personnel (KMP)	
Director	
Mr. Amrinder Singh	

19.2 Nature of Transaction	For the year ended December 31, 2024	For the year ended December 31, 2023
1) Software and Consultancy Income		
A Holding Company	4,053,538	3,063,239
2) Reimbursement of Cost		
A Holding Company	-	47,777

19.3 Closing balance	As at December 31, 2024	As at December 31, 2023
1) Trade Receivable		
Hexaware Technologies Limited	3,811,570	234,153
2) Unbilled		
Hexaware Technologies Limited	343,883	270,239
3) Trade Payable		
Hexaware Technologies Limited	-	-

20 Financial Instruments

(i) The carrying value / fair value of financial instruments (other than Invt in subsidiaries and associates) by categories as at December 31, 2024 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	3,277,831	-	-	-	3,277,831
Trade receivables - Billed	3,811,987	-	-	-	3,811,987
Trade receivables - Unbilled	343,883	-	-	-	343,883
Other financial assets	-	-	-	-	-
Total	**7,433,701**	**-**	**-**	**-**	**7,433,701**
Trade payables	139,411	-	-	-	139,411
Other financial liabilities	47,500	-	-	-	47,500
Total	**186,911**	**-**	**-**	**-**	**186,911**

(ii) The carrying value / fair value of financial instruments (other than investment in associate) by categories as at December 31, 2023 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	6,800,195	-	-	-	6,800,195
Trade receivables - Billed	234,153	-	-	-	234,153
Trade receivables - Unbilled	270,239	-	-	-	270,239
Total	**7,304,587**	**-**	**-**	**-**	**7,304,587**
Trade payables	30,915	-	-	-	30,915
Other financial liabilities	47,500	-	-	-	47,500
Total	**78,415**	**-**	**-**	**-**	**78,415**

Carrying amount of cash and cash equivalents, other bank balances, trade receivables, unbilled revenue, loans, other financial assets, borrowings, deferred consideration, trade payables, lease liabilities and other financial liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant in each of the period presented.

20 Financial Instruments (Cont'd)

20.1 Financial risk management

The Company has identified the risks under verticals like client concentration risk, credit risk, foreign currency fluctuation risk and liquidity risk. The Company has formulated policies, procedures and strategies for managing risks which is affirmed by management, after consultation with all business units, functions and department heads.

(i) Client concentration risk

100% of the revenue of 2024 is generated from 1 client. Any loss or major downsizing by these clients may impact Companys profitability. Further, excessive exposure to particular clients will limit Companys negotiating capacity and expose us to higher credit risk.

The Company is able to maintain a diversified high quality client roster that can be accessed through the depth of relationships with existing clients.

The Company's growth strategy involves a mix of new client addition and mining the accounts of existing clients. As we add more clients and grow our revenues from the existing clients, we naturally reduce our dependence on the large clients. Moreover, large clients allow quick scaling up of revenues and they come with much higher margins due to lower associated cost and higher cost predictability.

(ii) Credit risk

Since most of our transactions are done on credit, we are exposed to credit risk on accounts receivable. Any delay, default or inability on the part of the client to pay on time will expose us to credit risk and can impact our profitability. Our maximum credit exposure is in respect of trade receivables of HKD 3,811,987 and HKD 234,153 as at December 31, 2024 and December 31, 2023 respectively.

The Company adopted an effective receivable management system to control the Days' Sales Outstanding (DSO). Refer Note No 6 for the age wise analysis of trade receivables that are not due as well as past due and allowance for the doubtful receivables

Top 1 customer dues (including unbilled revenue) contribute 100% of the total outstanding as at December 31, 2024 (100% as at December 31, 2023).

Cash and cash equivalents include current account balances with banks.

20 Financial Instruments (Cont'd)

(iii) Foreign Currency fluctuations Risk

Foreign exchange fluctuations are one of the key risks impacting our business. The offshore part of the revenue remains exposed to the risk of Rupee appreciation which is functional currency of the Company vs. the US Dollar, the Euro and other foreign currencies, as largely, the costs incurred are in Indian Rupees and the Revenue/ Inflows are in foreign currencies. The contracts we enter into with our customers tend to run across several years and most of these contracts are at fixed rates, any appreciation in the Indian rupee vis-à-vis foreign currencies will affect our margins.

The Foreign Exchange Risk Management Policy authorized by the Forex Committee of the Board takes these realities into account and authorizes hedging on a systematic basis. These risks have been effectively addressed by the processes and controls laid out in the Foreign Exchange Risk Management Policy. The hedge ratio assigned to the exposures depends on the time horizon in which they fall, the near term exposures get a higher ratio whereas the farther exposures get a lower ratio. This graded approach ensures that hedges are spread across the hedge horizon in a tapered down manner. The exposure as indicated below is net of derivative contracts entered into by the Company.

10% depreciation/appreciation of the respective foreign currencies with respect to functional currency of the Company and its subsidiaries would result in the increase/ decrease in Company's profit before tax approximately by HKD NIL and HKD NIL for the year ended December 31, 2024, December 31, 2023 respectively.

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

Hexaware Technologies Hong Kong Limited

(HKD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

20 Financial Instruments (Cont'd)

(iv) **Liquidity risk**

The Company needs continuous access to funds to meet short and long term strategic investments. The Company inability to meet such requirements in stipulated period may hamper growth plan and even ongoing operations. Further, the Company inability to quickly convert assets into cash without incurring any appreciable loss will expose it to liquidity risks.

Over the years, the Company has increased its liquidity position by improving its DSO and maintaining high cash / bank balance and investments.

As at December 31, 2024, the Company had total cash / bank balance of HKD 3,277,831 which constitutes 44% of our total assets. The Company does not have any debt.

The tables below provide details of the contractual maturities of significant financial liabilities as at:

		Curr: HKD
As at December 31, 2024	**Less than 1 year**	**Total**
Trade payables	139,411	139,411
Others (Refer note 11)	47,500	47,500
Total	186,911	186,911

		Curr: HKD
As at December 31, 2023	**Less than 1 year**	**Total**
Trade payables	30,915	30,915
Others (Refer note 11)	47,500	47,500
Total	78,415	78,415

(v) **Interest rate risk**

The Company does not have any debt. Hence the Company is not significantly exposed to interest rate risk.

21 Employee benefits plan

Both the employees and the Company make monthly contributions to Provident Fund Plan (MPF) equal to a specified percentage of the covered employee's salary. The Company recognized HKD 103,500/- (Previous Year HKD 90,000/-) for contribution to pension scheme in the statement of profit and loss account. The contributions payable to these plans by the company are at rates specified in the rules of the schemes and company does not have any further obligation on such plans.

22 Segments

There is only one reportable business segment viz software consultancy, the results of which are disclosed in the financial statements.

23 Material events after Balance Sheet date

There are no significant events after reporting date which requires amendments or disclosure to the financial statements.

24 Approval of the financial statements

The financial statements were approved for issue by the Board of Directors on 25 February 2025

Place : Mumbai

Date : 25th February, 2025

K.S. BHATIA & ASSOCIATES
CHARTERED ACCOUNTANTS
15th FLOOR, 1504 D WING, RUSTOMJEE SEASONS MIG CHS LTD.
IV GANDHI NAGAR NEAR MMRDA OFFICE, BANDRA – EAST,
MUMBAI – 400051 M: 9322225270; EMAIL ID: ksbandco@yahoo.co.in

Independent Auditor's Report

TO THE MEMBERS OF Hexaware Technologies Nordic AB

Report on the Audit of Special Purpose Ind AS Financial Statements

We have audited the special purpose Ind AS financial statements of Hexaware Technologies Nordic AB ("The Company"), which comprise the Balance Sheet as at 31 December 2024, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the special purpose Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December 2024 and its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of Companies Act, 2013 ("the Act") and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Ind AS Financial Statements

The Company's management and board of directors are responsible for the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs.

This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management and board of directors are 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.

Board of directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 SAs 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS 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 entity'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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For K. S. Bhatia & Associates
Chartered Accountants
(Firm's Registration No. 158315W)

KAUSHIK SHANTIKUMAR BHATIA

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Kaushik S. Bhatia
Proprietor
(Membership No. 046908)
UDIN: 25046908BMLXPC5092

Mumbai, March 5, 2025

Hexaware Technologies Nordic AB

Registered Office: Tellusvagen 5 A,186 36, VALLENTUNA, SWEDEN

(SEK unless otherwise stated)

Balance Sheet as at December 31, 2024

	Note No.	As at December 31, 2024	As at December 31, 2023
ASSETS			
Current assets			
Financial assets:			
Trade receivables			
Billed	5	10,931,780	11,367,641
Unbilled		706,403	5,429
Cash and cash equivalents	6	3,896,358	1,850,319
Other current assets	7	144,751	91,698
Total current assets		**15,679,292**	**13,315,087**
TOTAL ASSETS		**15,679,292**	**13,315,087**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8	5,600,000	5,600,000
Other equity		202,588	(730,021)
Total equity		**5,802,588**	**4,869,979**
Current liabilities			
Trade payables			
Dues of micro enterprises and small enterprises	9A	-	-
Dues of other than micro enterprises and small enterprises	9B	4,694,008	3,488,284
Other financial liabilities	10	2,099,928	2,168,923
Other current liabilities	11	1,683,154	1,403,809
Provisions	12	802,284	862,092
Income tax liabilities (net)		597,330	522,000
Total current liabilities		**9,876,704**	**8,445,108**
Total liabilities		**9,876,704**	**8,445,108**
TOTAL EQUITY AND LIABILITIES		**15,679,292**	**13,315,087**

The accompanying notes 1 to 22 form an integral part of the financial statements.

As per our report of even date attached

For K.S. Bhatia & Associates
Chartered Accountants
Firms' registration number :158315W

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Date: 2025.03.05 18:26:40 +05'30'

Kaushik Bhatia
Proprietor
Membership number: 046908
Place: Mumbai
Date:

For and on behalf of the Board

Amrinder Singh
Director

Hexaware Technologies Nordic AB

Registered Office: Tellusvagen 5 A,186 36, VALLENTUNA, SWEDEN

(SEK unless otherwise stated)

Statement of Profit And Loss for the year ended December 31, 2024

		For the year ended	
	Note No.	**December 31, 2024**	**December 31, 2023**
INCOME			
Revenue from operations	13	25,856,512	25,019,523
Other income	14	41,602	(95,783)
TOTAL INCOME		**25,898,114**	**24,923,740**
EXPENSES			
Employee benefits expense	15	13,638,646	14,047,923
Other expenses	16	11,084,859	10,040,951
TOTAL EXPENSES		**24,723,505**	**24,088,874**
PROFIT BEFORE TAX		**1,174,609**	**834,866**
Tax expense			
Current tax	4A	242,000	172,000
Total tax expense		**242,000**	**172,000**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**932,609**	**662,866**
Earnings per equity share:- Basic and diluted (SEK)	17		
Basic and diluted earnings per share		16.65	13.93

The accompanying notes 1 to 22 form an integral part of the financial statements.
As per our report of even date attached

For K.S. Bhatia & Associates
Chartered Accountants
Firms' registration number :158315W

KAUSHIK
SHANTIKUMAR
BHATIA

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street=Mumbai,
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serialNumber=7d4f65d05220a3b38388da44e5e55df705ce49e913fac897d729f162e1a65045, o=Personal,
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Date: 2025.03.05 18:27:17 +05'30'

Kaushik Bhatia
Proprietor
Membership number: 046908
Place: Mumbai
Date:

For and on behalf of the Board

Amrinder Singh
Director

Hexaware Technologies Nordic AB

Registered Office: Tellusvagen 5 A,186 36, VALLENTUNA, SWEDEN

(SEK unless otherwise stated)

Statement of Changes in Equity for the year ended December 31, 2024

A. EQUITY SHARE CAPITAL

Balance as at January 01, 2024	Changes in equity share capital during the year	Balance as at December 31, 2024
5,600,000	-	5,600,000

Balance as at January 01, 2023	Changes in equity share capital during the year	Balance as at December 31, 2023
4,000,000	1,600,000	5,600,000

B. OTHER EQUITY

Particulars	Reserves and surplus		Total equity
	Retained earnings	Securities premium	
Balance as at January 01, 2024	(2,122,022)	1,392,000	(730,021)
Profit for the year	932,609	-	932,609
Balance as at December 31, 2024	**(1,189,413)**	**1,392,000**	**202,588**
Balance as at January 01, 2023	(2,784,892)	-	(2,784,892)
Profit for the year	662,870	-	662,870
Issue of shares	-	1,392,000	1,392,000
Balance as at December 31, 2023	**(2,122,022)**	**1,392,000**	**(730,021)**

The accompanying notes 1 to 22 form an integral part of the financial statements.
As per our report of even date attached

For K.S. Bhatia & Associates
Chartered Accountants
Firms' registration number :158315W

KAUSHIK SHANTIKUMAR BHATIA

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2.5.4.20=3012292128b8ddf5c2b8138b8f4c51e1a2246d3c13a0df1e4a30dd86b4603f4c, postalCode=400055,
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pseudonym=d06696da467e8305797ee04086750ce5,
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Date: 2025.03.05 18:27:33 +05'30'

Kaushik Bhatia
Proprietor
Membership number: 046908
Place: Mumbai
Date:

For and on behalf of the Board

Amrinder Singh
Director

Hexaware Technologies Nordic AB

Registered Office: Tellusvagen 5 A,186 36, VALLENTUNA, SWEDEN

(SEK unless otherwise stated)	For the year ended	
Statement of Cash Flows for the year ended December 31, 2024	**December 31, 2024**	**December 31, 2023**
Cash flow from operating activities		
Profit before tax	**1,174,609**	**834,867**
Adjustments for:		
Interest income	(40,009)	-
Operating profit before working capital changes	**1,134,600**	**834,867**
Adjustments for:		
Trade receivables and other assets	(318,166)	(5,017,565)
Trade payables, other liabilities and provisions	1,356,266	(1,544,892)
Cash generated from/(used in) operations	**2,172,700**	**(5,727,590)**
Direct taxes paid (net)	(166,670)	-
Net cash generated/(used in) from operating activities	**2,006,030**	**(5,727,590)**
Cash flow from investing activities		
Interest received	40,009	-
Net cash generated from investing activities	**40,009**	**-**
Cash flow from financing activities		2,992,000
Proceeds from issue of shares / share application money (net)	-	-
Net cash generated from financing activities	**-**	**2,992,000**
Net increase/(decrease) in cash and cash equivalents	**2,046,039**	**(2,735,590)**
Cash and cash equivalents at the beginning of the year	1,850,319	4,585,909
Cash and cash equivalents at the end of the year (Refer to note 6)	**3,896,358**	**1,850,319**

The statement of cash flows has been prepared using the indirect method as set out in Ind AS 7.

The accompanying notes 1 to 22 form an integral part of the financial statements.

As per our report of even date attached
For K.S. Bhatia & Associates
Chartered Accountants
Firms' registration number :158315W

KAUSHIK
SHANTIKUMAR
BHATIA

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pseudonym=d06696da467e8305797ee04086750ce5,
serialNumber=7d4f65d05220a3b38388da44e5e55df705ce49e913f
ac897d729f162e1a65045, o=Personal, cn=KAUSHIK SHANTIKUMAR
BHATIA
Date: 2025.03.05 18:27:54 +05'30'

Kaushik Bhatia
Proprietor
Membership number: 046908

Place: Mumbai

Date:

For and on behalf of the Board

Amrinder Singh
Director

(SEK unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

1 Company Overview

Hexaware Technologies Nordic AB, incorporated on September 07, 2017 under the laws of Sweden, is a subsidiary of Hexaware Technologies Limited, India. These Financial Statement have been prepared & audited for purpose of consolidation with the holding company.

The Company is engaged in information technology consulting, software development and business process services. Hexaware provides multiple service offerings to its clients across various industries comprising travel, transportation, hospitality, logistics, banking, financial services, insurance, healthcare, manufacturing, consumer and services. The various service offerings comprise application development and management, enterprise package solutions, infrastructure management, business intelligence and analytics, business process, digital assurance and independent testing.

2 Significant Accounting Policies

2.1 Statement of compliance

The financial statements comply in all material aspects with Indian Accounting standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act as amended from time to time.

2.2 Basis of Preparation

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair values as explained in the accounting policies below.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of twelve months.

Previous period figures have been re-grouped/re-classified wherever necessary to correspond with the current period classification/disclosures.

2.3 Critical accounting judgements and key source of estimation uncertainty

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of financial statements and the reported amounts of income and expenses for the periods presented.

The Company uses the following critical accounting estimates in preparation of its financial statements:

2.3.1 Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts expended to date, as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion, as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Cost to fulfill contract are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.3.2 Income-tax

The tax jurisdiction for the Company is Sweden. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax on unrecognised tax benefits. Tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.3.3 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2 Significant Accounting Policies *(Continued)*

2.3.4 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.4 Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

In case of a contract on time and material basis, transaction-based or volume-based contracts, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognized using percentage of completion method. The Company uses the efforts expended to date as a proportion to the total efforts to be expended as a basis to measure the degree of completion. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated.

Revenues related to fixed-price maintenance, testing and business process services are recognized based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognized as the service is performed using the percentage of completion method.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Revenues in excess of billing are classified as Unbilled receivables while billing in excess of revenues are classified as Contract liabilities (Unearned revenues). Invoicing to the clients for fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled receivables for fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

The Company recognizes an onerous cost provision for the estimated losses in the statement of profit and loss, when the total estimated cost exceeds the revenue in an arrangement based on the current contract estimates.

2.5 Leases

The Company follows a single lessee accounting model and requires a lessee to recognized assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value as per Ind AS 116.

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.

2.6 Functional and presentation currency

Foreign currency

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rate prevailing on the date of the Balance Sheet. The resulting exchange difference on such restatement and settlement is recognized in the profit or loss, except exchange differences on transactions entered into in order to hedge certain foreign currency risk.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date of Balance Sheet. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.7 Borrowing Cost

Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in the profit or loss.

2 Significant Accounting Policies *(Continued)*

2.8 Employee Benefits

a) Post-employment benefits and other long term benefit plan

Payments to defined contribution retirement schemes are recognised as an expense when the employees have rendered service entitling them to such benefits.

b) Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.9 Taxes on Income

Income tax expense comprises of current tax and deferred tax. Current and deferred tax are recognised in net income, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax is measured at the amount expected to be paid to tax authorities using enacted or substantively enacted tax rates .

Deferred taxes are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profits, except when the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profit at the time of the transaction.

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

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

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Advance taxes and provisions for current income taxes as well as deferred tax assets and liabilities are presented in the Balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the entity intends to settle the asset and liability on a net basis.

2.10 Impairment

Financial assets (other than at fair value)

The Company assesses at each balance sheet date, whether a financial asset or a group of financial assets is impaired. Ind AS 109, "Financial Instruments" requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables. For all other financial assets except for investments, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. In case of Investments, the Company periodically reviews its carrying value of investments for indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

2.11 Provisions

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the Company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract is lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

(SEK unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

2 Significant Accounting Policies *(Continued)*

2.12 Non derivative financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

A Financial assets and financial liabilities

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

(iii) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

(iv) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(v) Financial liabilities

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

2.13 Share capital

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

2.14 Earnings per share ('EPS')

Basic EPS is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended December 31,2024 MCA has notified Ind AS 117 – Insurance Contracts applicable to the Company w.e.f. January 1, 2025. The Company has reviewed the new standard and based on its evaluation has determined that it does not have any significant impact in its financial information

4 Income taxes

A Income tax expense is allocated as follows :

	For the year ended	
	December 31, 2024	**December 31, 2023**
Income tax expense as per the Statement of Profit and Loss	242,000	172,000
	242,000	172,000

B The reconciliation of estimated income tax expense at the Indian statutory income tax rate to the income tax expenses reported in statement of profit and loss is as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Profit before tax	1,174,609	834,866
Expected tax expense at the enacted tax rate of 20.6% (Previous year 20.6%) in Sweden	241,969	171,982
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense :		
Tax effect of non-deductible expenses	-	-
Others	31	18
	242,000	172,000

(SEK unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

5 Trade receivables

A Trade receivables - Billed - Current (Unsecured)

	As at December 31, 2024	As at December 31, 2023
Trade receivable - Billed	10,931,780	11,367,641
	10,931,780	**11,367,641**

B Trade receivables ageing

Ageing for trade receivables as at December 31, 2024 is as follows:

	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivable - Billed							
Undisputed trade receivables – considered good	8,279,932	2,651,848	-	-	-	-	10,931,780
	8,279,932	2,651,848	-	-	-	-	10,931,780
Trade Receivables - Unbilled							706,403
							11,638,183

Ageing for trade receivables as at December 31, 2023 is as follows:

	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivable - Billed							
Undisputed trade receivables – considered good	6,171,321	4,921,807	274,513	-	-	-	11,367,641
	6,171,321	4,921,807	274,513	-	-	-	11,367,641
Trade Receivables - Unbilled							5,429
							11,373,070

Hexaware Technologies Nordic AB

Registered Office: Tellusvagen 5 A,186 36, VALLENTUNA, SWEDEN

(SEK unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

6 Cash and bank balances

Cash and cash equivalents	As at December 31, 2024	As at December 31, 2023
In current accounts with banks	3,896,358	1,850,319
Total	**3,896,358**	**1,850,319**

7 Other assets

Other assets – Current	As at December 31, 2024	As at December 31, 2023
Prepaid expenses	5,434	-
Employee advances	83,864	-
Contracts assets	-	89,645
Advance to suppliers	55,453	2,053
Total	**144,751**	**91,698**

(SEK unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

8 Equity

8.1 Authorised capital	**As at December 31, 2024**	**As at December 31, 2023**
56,000 equity shares of SEK 100/- each	5,600,000	5,600,000

8.2 Issued, subscribed and paid-up capital	**As at December 31, 2024**	**As at December 31, 2023**
Equity shares of SEK 100/- each fully paid	5,600,000	5,600,000

8.3 Reconciliation of number of shares	**As at December 31, 2024**	**As at December 31, 2023**
Shares outstanding at the beginning of the year	56,000	40,000
Shares issued during the year	-	16,000
Shares outstanding at the end of the year	**56,000**	**56,000**

8.4 Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of SEK 100 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

8.5 Details of shares held by promoters and shareholders holding more than 5% shares		**As at December 31, 2024**	**As at December 31, 2023**
Name of the shareholder			
Hexaware Technologies Limited	No. of shares held	56,000	56,000
	% of holding	100%	100%

9 Trade payables

		As at December 31, 2024	As at December 31, 2023
A	**Dues of micro enterprises and small enterprises**	-	-
	Total	-	-
B	**Dues of other than micro enterprises and small enterprises**		
	Trade payables	2,536,332	2,810,710
	Accrued expenses	2,157,676	677,574
	Total	**4,694,008**	**3,488,284**

C Trade payable ageing

Ageing for trade payables outstanding as at December 31, 2024 is as follows:

	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables						
Others	1,097,564	1,438,768	-	-	-	2,536,332
	1,097,564	1,438,768	-	-	-	2,536,332
Accrued Expenses						2,157,676
						4,694,008

Ageing for trade payables outstanding as at December 31, 2023 is as follows:

	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables						
Others	735,965	2,074,745	-	-	-	2,810,710
	735,965	2,074,745	-	-	-	2,810,710
Accrued Expenses						677,574
						3,488,284

10 Other financial liabilities

	As at December 31, 2024	As at December 31, 2023
Other financial liabilities - Current		
Employee liabilities	2,099,928	2,168,923
Total	**2,099,928**	**2,168,923**

(SEK unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

11 Other liabilities

	As at December 31, 2024	As at December 31, 2023
Other liabilities - Current		
Statutory liabilities	1,673,284	1,403,809
Others	9,870	-
Total	**1,683,154**	**1,403,809**

12 Provisions

	As at December 31, 2024	As at December 31, 2023
Provisions - Current		
Employee benefit obligations in respect of compensated absences and others	802,284	862,092
Total	**802,284**	**862,092**

13 Revenue

13.1 Revenue disaggregation by geography is as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Geography		
Europe	25,856,512	23,397,718
Others	-	1,621,805
Total	**25,856,512**	**25,019,523**

13.2 Revenue disaggregation by contract type is as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Offshore	11,095,042	12,384,305
Onshore	14,690,450	12,627,757
Others	71,020	7,461
Total revenue from operations	**25,856,512**	**25,019,523**

13.3 Revenue disaggregation by nature of service is as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue from contracts with customers	25,856,512	25,019,523
	25,856,512	**25,019,523**

13.4 Reconciliation of revenue recognised with the contracted price is as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Contracted price	25,856,512	25,025,296
Reductions towards variable consideration components (discounts, rebate)	-	(5,773)
Revenue recognised	**25,856,512**	**25,019,523**

(SEK unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

13.5 Transaction price allocated to the remaining performance obligations

The remaining performance obligations represents contracted revenue that has not yet been recognized, which includes contract liabilities and amounts that will be invoiced and recognized as revenue in future periods.

	As at	
	December 31, 2024	**December 31, 2023**
Within 1 year	22,630,204	24,703,488
More than 1 year	54,755,869	8,367,312

The Company has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date. The above revenue is subject to any changes in the transaction price.

14 Other income

	For the year ended	
	December 31, 2024	**December 31, 2023**
Interest income on financial assets at amortized cost	40,009	-
Exchange rate difference (net)	1,593	(95,783)
Total	**41,602**	**(95,783)**

15 Employee benefits expense

	For the year ended	
	December 31, 2024	**December 31, 2023**
Salary and allowances	9,505,891	9,841,956
Contributions to provident and other funds	4,062,509	4,185,884
Staff welfare expenses	70,246	20,083
Total	**13,638,646**	**14,047,923**

16 Other expenses

	For the year ended	
	December 31, 2024	**December 31, 2023**
Rent	60,989	38,155
Rates and taxes	352,419	319,740
Travelling and conveyance	342,646	335,966
Communication expenses	13,843	20,680
Repairs and maintenance	845,192	993,631
Audit fees	134,687	29,176
Legal and professional fees	353,976	262,887
Advertisement and business promotion	437,179	34,492
Bank and other charges	5,277	7,685
Directors' sitting fees and Commission	-	-
Insurance charges	25,317	50,782
Subcontracting charges	8,513,334	7,487,309
Miscellaneous expenses	-	460,448
Total	**11,084,859**	**10,040,951**

(SEK unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

17 Earnings per share (EPS)

	For the year ended	
	December 31, 2024	December 31, 2023
The components of basic and diluted EPS:		
Net profit after tax	932,609	662,866
Weighted average outstanding equity shares considered for basic EPS	56,000	47,584
Basic and diluted earnings per share (In SEK)	16.65	13.93

18 Related party disclosures

Names of related parties	Country
Ultimate Holding Company	
Hexaware Global Limited (Formerly known as CA Campine Investments)	Mauritius
Holding Company	
Hexaware Technologies Limited	India

Key Management Personnel (KMP)

Mr. Amrinder Singh

Mr. Vasanth Ravichandran (w.e.f. December 22, 2023)

B Details of transactions with related party

Sr no.	Particulars	Nature of Relationship	For the year ended	
			December 31, 2024	December 31, 2023
1	**Software & Development Expenses**	Holding Company	8,513,334	7,487,309
2	**Reimbursement of Costs**	Holding Company	84,256	258,206
3	**Software and Consultancy Income**	Holding Company	-	1,621,805
4	**Issue of Share Capital**	Holding Company	-	2,992,000

C Outstanding Balances

Sr no.	Particulars	Nature of Relationship	As at	
			December 31, 2024	December 31, 2023
1	**Trade & Other Payable**	**Holding Company**	4,078,589 -	3,078,523 -
2	**Trade & Other Receivable**	**Holding Company**	-	1,666,698

(SEK unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

19 Financial Instruments

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability

(i) The carrying value / fair value of financial instruments (other than investment in subsidiaries and associates) by categories as at December 31, 2024 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	3,896,358	-	-	-	3,896,358
Trade receivables - Billed	10,931,780	-	-	-	10,931,780
Trade receivables - Unbilled	706,403	-	-	-	706,403
Total	**15,534,541**	**-**	**-**	**-**	**15,534,541**
Trade payables	4,694,008	-	-	-	4,694,008
Other financial liabilities	2,099,928	-	-	-	2,099,928
Total	**6,793,936**	**-**	**-**	**-**	**6,793,936**

The carrying value / fair value of financial instruments (other than investment in subsidiaries and associates) by categories as at December 31, 2023 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	1,850,319	-	-	-	1,850,319
Trade receivables - Billed	11,367,641	-	-	-	11,367,641
Trade receivables - Unbilled	5,429	-	-	-	5,429
Total	**13,223,389**	**-**	**-**	**-**	**13,223,389**
Trade payables	3,488,284	-	-	-	3,488,284
Other financial liabilities	2,168,923	-	-	-	2,168,923
Total	**5,657,207**	**-**	**-**	**-**	**5,657,207**

Note

Carrying amount of cash and cash equivalents, trade receivables, unbilled revenue, other financial assets, trade payables, and other financial liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant in each of the period presented.

19 Financial Instruments (continued)

(ii) Financial risk management

The Company has identified the risks under verticals like Geographic and client concentration risk, credit risk, foreign currency fluctuation risk and liquidity risk. The Company has formulated policies, procedures and strategies for managing risks which is affirmed by the global CEO and CFO, after consultation with all business units, functions and department heads.

(i) Client concentration risk

100 % of the revenue for the year is generated from top 1 client (previous year - 89 %). Any loss or major downsizing by these clients may impact Company's profitability. Further, excessive exposure to particular clients will limit Company's negotiating capacity and expose us to higher credit risk.

The Company is able to maintain a diversified high quality client roster that can be accessed through the depth of relationships with existing clients.

The Company's growth strategy involves a mix of new client addition and mining the accounts of existing clients. As the Company adds more clients and grow revenues from the existing clients, it reduces dependence on the large clients. Moreover, large clients allow quick scaling up of revenues and they come with higher margins due to lower associated cost and higher cost predictability.

(ii) Credit Risk

Since most of Companys transactions are done on credit, the Company is exposed to credit risk on accounts receivable. Any delay, default or inability on the part of the client to pay on time will expose the Company to credit risk and can impact profitability. Company's maximum credit exposure is in respect of trade receivables of SEK 10,931,780 and SEK 11,367,641 as at December 31, 2024 and December 31, 2023, respectively, unbilled receivables of SEK 706,403 and SEK 5,429 at December 31, 2024 and December 31, 2023, respectively and contract assets of Nil and SEK 89,645 as at December 31, 2024 and December 31, 2023, respectively.

The Company has adopted an effective receivable management system to control the Days' Sales Outstanding (DSO). Refer to note 5 for the age wise analysis of trade receivables that are not due as well as past due and allowance for the doubtful receivables.

Top 1 customer dues contribute 100% of the total outstanding as at December 31, 2024 (85% as at December 31, 2023).

Cash and cash equivalents include current account balances with banks.

(iii) Foreign Currency fluctuations Risk

Foreign exchange fluctuations are one of the key risks impacting our business. The company's transactions are predominantly in SEK and incurs foreign currency risk on transactions that are denominated by currency other than SEK such as EUR. The company do not hedge any currency exposures.

19 Financial Instruments (continued)

Liquidity risk

The Company needs continuous access to funds to meet short and long term strategic investments. The Company's inability to meet such requirements in stipulated period may hamper growth plan and even ongoing operations. Further, the Company's inability to quickly convert assets into cash without incurring any material loss will expose it to liquidity risks.

Over the years, the Company has increased its liquidity position by managing its DSO and maintaining high cash / bank balance.

As at December 31, 2024, the Company had total cash / bank balance of SEK 3,896,358 (previous year SEK 1,850,319) which constitutes approximately 25% (previous year: 14%) of total assets. The Company does not have any debt and thus manages its liquidity requirements through funds generated from operations.

The tables below provide details of the contractual maturities of significant financial liabilities as at:

As at December 31, 2024	**Less than 1 year**	**1-2 years**	**3-5 years**	**Beyond 5 years**	**Total**
Trade and other payables	4,694,008	-	-	-	4,694,008
Others (Refer to note 10)	2,099,928	-	-	-	2,099,928
Total	**6,793,936**	**-**	**-**	**-**	**6,793,936**

As at December 31, 2023	**Less than 1 year**	**1-2 years**	**3-5 years**	**Beyond 5 years**	**Total**
Trade and other payables	3,488,284	-	-	-	3,488,284
Others (Refer to note 10)	2,168,923	-	-	-	2,168,923
Total	**5,657,207**	**-**	**-**	**-**	**5,657,207**

Interest rate risk
The Company does not have any debt. Accordingly, the Company is not exposed to significant interest rate risk.

Hexaware Technologies Nordic AB

Registered Office: Tellusvagen 5 A,186 36, VALLENTUNA, SWEDEN

(SEK unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

20 Employee benefits

The Company recognized SEK 4,062,509 (previous year SEK 4,185,884) for Social security and pension contributions in profit and loss account. The contributions payable to these plans by the company are at rates specified in the rules of the schemes.

21 Segment reporting

In accordance with Ind AS 108 'Operating Segment', the Company has disclosed Segment information on consolidated basis for the year ended December 31, 2024.

22 Other updates

A Material events after Balance Sheet date

There is no significant event after reporting date which requires amendments or disclosure to the financial statements..

B Approval of the financial statements:

The financial statements were approved for issue by the Board of Directors on

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For and on behalf of the Board

Amrinder Singh

Director

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF HEXAWARE TECHNOLOGIES ASIA PACIFIC PTE LTD

Hexaware Technologies Asia Pacific Pte Ltd
1 Finlayson Green
#09-01
Singapore 049246

As requested by management, we have audited, for purposes of your holding company's consolidated financial statements of Hexaware Technologies Limited, the accompanying reporting package which comprise the balance sheet as at 31 December 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement for the year ended 31 December 2024, and related notes and other explanatory information.

Management's Responsibility for the Reporting Package

Management is responsible for the preparation of the reporting package in accordance with the recognition and measurement criteria of the applicable financial reporting framework in Singapore and the disclosure and presentation requirements of the holding company as contained in the reporting package. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation of the reporting package that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies that are consistent with the recognition and measurement criteria of the applicable financial reporting framework in Singapore and the disclosure and presentation requirements of the holding company as contained in the reporting package; and making accounting estimates that are reasonable in the circumstances. The reporting package has been prepared solely for the purpose of inclusion in the consolidated financial statements of Hexaware Technologies Limited.

Auditor's Responsibility

Our responsibility is to express an opinion on the reporting package based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the reporting package are free from material misstatement.

137 Telok Ayer Street #05-03, Singapore 068602 | T +65 6536 7475 | F +65 6536 5484 | www.jbspractice.com

Company Registration No.: 201409251H

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF HEXAWARE TECHNOLOGIES ASIA PACIFIC PTE LTD (...CONT'D)

Auditor's Responsibility (...cont'd)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the reporting package. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the reporting package, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the reporting package 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the reporting package.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying reporting package for Hexaware Technologies Asia Pacific Pte Ltd for the year ended 31 December 2024, are prepared, in all material respects, in accordance with the Singapore Financial Reporting Standards.

Restriction on Distribution and Use

The reporting package has been prepared for purposes of providing information to Hexaware Technologies Limited to enable it to prepare the consolidated financial statements of the group. As a result, the reporting package is not a complete set of financial statements of Hexaware Technologies Asia Pacific Pte Ltd in accordance with the Singapore Financial Reporting Standards and is not intended to give a true and fair view of the financial position of Hexaware Technologies Asia Pacific Pte Ltd as of 31 December 2024 and of its financial performance, and its cash flows for the year ended 31 December 2024 in accordance with Singapore Financial Reporting Standards. The reporting package may not be suitable for another purpose. Our report is intended solely for Hexaware Technologies Asia Pacific Pte Ltd and Hexaware Technologies Limited and should not be distributed to or used by parties other than Hexaware Technologies Asia Pacific Pte Ltd and Hexaware Technologies Limited.

JBS Practice PAC

JBS PRACTICE PAC
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS

Singapore

27 January 2025

137 Telok Ayer Street #05-03, Singapore 068602 | T +65 6536 7475 | F +65 6536 5484 | www.jbspractice.com

Company Registration No.: 201409251H

Hexaware Technologies Asia Pacific Pte Ltd
#09-01, One Finlayson Green, 1 Finlayson Green, Singapore-049246

Financial Statements as at December 31, 2024

Index

Hexaware Technologies Asia Pacific Pte Ltd

#09-01, One Finlayson Green, 1 Finlayson Green, Singapore 049246

(SGD, except share and per share data, unless otherwise stated)

Balance Sheet as at December 31, 2024

	Note No.	As at December 31, 2024	As at December 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	6	44,789	61,746
Right-of-use assets	5	-	394,402
Financial assets:			
Investments	7	18,187	18,187
Other financial assets	8A	57,814	54,314
Total non-current assets		**120,790**	**528,649**
Current assets			
Financial assets:			
Trade receivables			
Billed	11	3,004,441	2,773,413
Unbilled	11	293,789	19,631
Cash and cash equivalents	12	13,341,161	12,802,815
Other financial assets	8B	10,000	10,000
Other current assets	9	5,390	347,262
Total current assets		**16,654,781**	**15,953,121**
TOTAL ASSETS		**16,775,571**	**16,481,770**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	4	2,000,000	2,000,000
Other equity		10,188,828	9,298,964
Total equity		**12,188,828**	**11,298,964**
Non-current liabilities			
Financial liabilities:			
Lease liabilities		35,136	239,133
Deferred tax liabilities (net)		1,207	1,207
Total non-current liabilities		**36,343**	**240,340**
Current liabilities			
Financial liabilities:			
Lease liabilities		203,997	192,646
Trade payables	14	3,857,555	4,272,497
Other financial liabilities	13	181,154	152,399
Other current liabilities	15	191,211	121,569
Provisions			
Employee benefit obligations in respect of compensated absences and others	16	60,483	38,205
Income tax liabilities (net)		96,000	65,150
Total current liabilities		**4,550,400**	**4,842,466**
Total liabilities		**4,586,743**	**5,082,806**
TOTAL EQUITY AND LIABILITIES		**16,775,571**	**16,481,770**

The accompanying notes 1 to 27 form an integral part of the Standalone financial statements.

As per our report of even date attached

For JBS PRACTICE PAC

Chartered Accountants

JBS Practice PAC

Balasubramanian Janamanchi

Partner

Place : Singapore

Date : 27th January, 2025

For and on behalf of the board of director

Amrinder Singh

Director

Place : Dubai

Date : 27th January, 2025

Hexaware Technologies Asia Pacific Pte Ltd

#09-01, One Finlayson Green, 1 Finlayson Green, Singapore-049246

(SGD, except share and per share data, unless otherwise stated)

Statement of Profit And Loss

	Note No.	For Year ended December 31, 2024	December 31, 2023
INCOME			
Revenue from operations	17	9,576,688	13,094,507
Other income	18	629,139	(235,480)
TOTAL INCOME		10,205,827	12,859,027
EXPENSES			
Employee benefits expense	19	1,526,555	586,646
Finance costs	21	19,214	4,267
Depreciation and amortisation expense	5,6	24,096	267,832
Impairement Loss on RoU Asset	5,6	394,402	-
Other expenses	20	7,370,386	11,560,062
TOTAL EXPENSES		9,334,653	12,418,807
PROFIT BEFORE TAX		871,174	440,220
Tax expense			
Current tax	10	81,310	77,500
Total tax expense		81,310	77,500
PROFIT FOR THE PERIOD		789,864	362,720
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		789,864	362,720
Earnings per equity share:- Basic and diluted			
Basic and Diluted	22	0.39	0.18

The accompanying notes 1 to 27 form an integral part of the Standalone financial statements.

As per our report of even date attached

For JBS PRACTICE PAC
Chartered Accountants

JBS Practice PAC

Balasubramaniam Janamanchi
Partner

Place : Singapore
Date : 27th January, 2025

For and on behalf of the board of director

Amrinder Singh
Director

Place : Dubai
Date : 27th January, 2025

Hexaware Technologies Asia Pacific Pte Ltd

#09-01, One Finlayson Green, 1 Finlayson Green, Singapore-049246

(SGD, except share and per share data, unless otherwise stated)

Statement of Changes in Equity

	As at December 31, 2024	As at December 31, 2023
A. EQUITY SHARE CAPITAL		
Outstanding at the beginning of the year	2,000,000	2,000,000
Outstanding at the end of the year	2,000,000	2,000,000

OTHER EQUITY

	Reserves and surplus		Total equity
	General reserve	Retained earnings	
Balance as at January 01, 2024	-	9,398,964	9,398,964
Profit for the period	-	789,864	789,864
Total comprehensive income	-	**10,188,828**	**10,188,828**
Balance as at December 31, 2024	-	**10,188,828**	**10,188,828**
Balance as at January 01, 2023	-	9,036,244	9,036,244
Profit for the year	-	362,720	362,720
Total comprehensive income	-	**9,398,964**	**9,398,964**
Balance as at December 31, 2023	-	**9,398,964**	**9,398,964**

The accompanying notes 1 to 27 form an integral part of the Standalone financial statements.

As per our report of even date attached

For JBS PRACTICE PAC
Chartered Accountants

Balasubramaniam Janamanchi
Partner

Place : Singapore
Date : 27th January, 2025

For and on behalf of the board of director

Amrinder Singh
Director

Place : Dubai
Date : 27th January, 2025

Hexaware Technologies Asia Pacific Pte Ltd

#09-01, One Finlayson Green, 1 Finlayson Green, Singapore-049246

(SGD, except share and per share data, unless otherwise stated)

Statement of Cash Flows for the year ended December 31, 2024

	For Year ended	
	December 31, 2024	December 31, 2023
Cash flow from operating activities		
Profit before tax	871,174	440,220
Adjustments for:		
Depreciation expense	24,096	267,832
Impairement Loss on RoU Asset	394,402	-
Interest income	(273,759)	(6,084)
Life time expected credit loss	147,450	72,231
Finance costs	19,214	4,267
Operating profit before working capital changes	1,182,577	778,466
Adjustments for:		
Trade receivables and other assets	(314,264)	282,058
Trade payables, other liabilities and provisions	(334,267)	(292,646)
Cash generated from operations	534,046	767,878
Direct taxes paid (net)	(50,460)	(143,741)
Net cash generated from operating activities	483,586	624,137
Cash flow from investing activities		
Purchase of PPE and intangibles assets including CWIP and capital advances	(7,139)	(586,805)
Interest received	273,759	6,084
Net cash generated from / (used in) investing activities	266,620	(580,721)
Cash flow from financing activities		
(Repayment) / Modified of lease liabilities	(192,646)	376,016
Interest paid	(19,214)	-
Net cash (used in) / generated from financing activities	(211,860)	376,016
Net increase in cash and cash equivalents	538,346	419,432
Cash and cash equivalents at the beginning of the period	12,802,815	12,383,383
Cash and cash equivalents at the end of the period (Refer to note 12)	13,341,161	12,802,815

The accompanying notes 1 to 27 form an integral part of the Standalone financial statements.

As per our report of even date attached

For JBS PRACTICE PAC
Chartered Accountants

JBS Practice PAC

Balasubramaniam Janamanchi
Partner

Place : Singapore
Date : 27th January, 2025

For and on behalf of the board of director

Amrinder

Amrinder Singh
Director

Place : Dubai
Date : 27th January, 2025

Hexaware Technologies Asia Pacific Pte Ltd

(SGD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

1 Company Overview

Hexaware Technologies Asia Pacific Pte. Ltd. (HTAPAC or the Company), incorporated in Singapore under the laws of the Singapore Companies Act is a wholly owned subsidiary of Hexaware Technologies Limited, a foreign corporation incorporated in India (Hexaware or the Holding Company). These accounts have been prepared and audited for the purpose of consolidation with Holding Company.

The Company is engaged in information technology consulting, software development and business process services. Hexaware Technologies Asia Pacific Pte Ltd provides multiple service offerings to its clients across various industries comprising travel, transportation, hospitality, logistics, banking, financial services, insurance, healthcare, manufacturing, consumer and services. The various service offerings comprise application development and management, enterprise package solutions, infrastructure management, business intelligence and analytics, business process, digital assurance and testing.

2 Material Accounting Policy Information

2.1 Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards and its interpretations (IFRS), as issued by the International Accounting Standards Board ("IASB").

2.2 Basis of preparation

These financial statements are prepared on historical cost basis, except for certain financial instruments which are measured at fair values as explained in the accounting policies below.

These financial statements have been prepared in Singapore Dollar (S$) which is the functional currency of the Company.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

2.3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosures relating to contingent liabilities on the date of the financial statements. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the period in which the estimate is revised and in any future period affected.

Key source of estimation uncertainty which may cause material adjustments:

2.3.1 Revenue recognition

The Company uses the percentage of completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts expended to date as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Costs to fulfil contracts are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.3.2 Income tax

The major tax jurisdiction for the Company is India though the Company also files tax returns in overseas jurisdictions. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax on unrecognised tax benefits. Tax assessments can involve complex issues which can only be resolved over extended time periods.

2.3.3 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2 Material Accounting Policy Information (Continued)

2.3 Critical accounting judgements and key sources of estimation uncertainty (Continued)

Key sources of estimation uncertainty which may cause material adjustments (Continued)

2.3.4 Others

Other areas involving estimates relate to actuarial assumptions used to determine the carrying amount of defined benefit obligation, estimation of fair value of share based payment transactions and useful lives of Property, Plant and Equipment.

2.4 Revenue recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

In case of contract on time and material basis, transaction-based or volume-based contracts, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognised using percentage of completion method. The Company uses the efforts expended to date as a proportion to the total efforts to be expended as a basis to measure the degree of completion. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated.

Revenue related to fixed price maintenance, testing and business process services are recognised based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognised as the service is performed using the percentage of completion method.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Revenues in excess of billing are classified as unbilled receivables while billing in excess of revenues are classified as Contract liabilities (Unearned revenues). Invoicing to the clients for fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled receivables for fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

The Company recognises an onerous contract provision for the estimated losses in the statement of profit and loss when the total estimated cost exceeds the revenue in an arrangement based on the current contract estimates.

2.5 Leases

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.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use ("RoU") asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The Company has elected not to apply the requirements of IFRS 16 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an rent expense on a straight-line basis over the lease term.

The RoU assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The RoU assets are depreciated using the straight-line method from the commencement date over the shorter of lease term and useful life of RoU asset. The estimated useful lives of RoU assets are determined on the same basis as those of property, plant and equipment. RoU assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the RoU asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the RoU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

2 Material Accounting Policy Information (Continued)

2.5 Leases (Continued)

Company as a lessor

If an operating lease arrangement contains lease and non lease components, the Company applies IFRS 16 to allocate the consideration in the contract.

The Company has made use of the following practical expedients available while applying IFRS 16 :-

- The Company has applied single discount rate to a portfolio of lease with reasonably similar characteristics.
- The Company has excluced initial direct costs from measurement of RoU assets at the date of transition
- The Company has used hindsight, in determining the lease term if the contract contains options to extend or terminate the lease.

2.6 Functional and presentation currency

These financial statements are presented in Singapore Dollars, the currency of the primary economic environment in which the Company operates.

Foreign currency

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rate prevailing on the date of Balance Sheet. The resulting exchange difference on such restatement and settlement is recognized in the profit or loss, except exchange differences on transactions entered into in order to hedge certain foreign currency risk.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.7 Borrowing Cost

Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in the profit or loss.

Hexaware Technologies Asia Pacific Pte Ltd

(SGD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

2 Material Accounting Policy Information (Continued)

2.8 Employee Benefits

Employee benefits are recognised as an expense.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund ("CPF") on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid.

__Employee leave entitlement__

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made of estimated liability for leave as a result of services rendered by employees up to the end of reporting period.

2.9 Taxes on Income

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when it affects neither the taxable profit nor the accounting profit at the time of the transaction.

A deferred income tax liability is recognised for all taxable temporary differences arising on property, plant and equipment, except where the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

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

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and

(ii) based on the tax consequence that will follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amounts of its assets and liabilities.

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(SGD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

2 Material Accounting Policy Information (Continued)

2.10 Property, plant and equipment (PPE)

PPE are stated at cost of acquisition less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation

Depreciation is provided on straight-line method based on the estimated useful lives of the assets as follows

Asset Class	Estimated useful Life
Computer Systems (included in Plant and Machinery)	3 years
Office Equipment	5 years
Electrical Fittings (included in Plant and Machinery)	8 years
Furniture and Fixtures	8 years
Buildings	3 years

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss

2.11 Impairment

a) Financial assets (other than at fair value)

The Company assesses at each balance sheet date, whether a financial asset or a group of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition

b) Non-financial assets - Tangible assets

At the end of each reporting period, the Company assesses whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs or allocated. Impairment loss is charged to the profit or loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.12 Provisions

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.

Hexaware Technologies Asia Pacific Pte Ltd

(SGD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

2 Material Accounting Policy Information (Continued)

2.13 Non derivative financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

A. Financial assets - measurement

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

B. Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL directly attributable transaction costs.

(ii) Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.14 Investment in associate

Investment in associate is carried at cost less impairment, if any, in accordance with IAS27 - separate financial statements.

2.15 Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

2.16 Share capital

Equity shares

Incremental costs directly attributable to the issue or re-purchase of equity shares, net of any tax effects, are recognised as a deduction from equity.

2.17 Earnings per share (EPS)

Basic EPS are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

3 **Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During period ended December 31, 2024, MCA has not notified new standards or amendements to the existing standards applicable to the Company.

4 **Equity Share Capital**

4.1 Issued, subscribed and paid-up capital

	December 31, 2024 Amount	December 31, 2023 Amount
Equity shares issued at no par value	2,000,000	2,000,000

4.2 There has been no movement in number of shares during the period ended December 31st, 2024 and December 31st, 2023

4.3 The Company has been a wholly owned subsidiary of Hexaware Technologies Limited since incorporation.

4.4 There were no shares allotted as fully paid up by way of bonus shares during five years preceding December 31st, 2024.

4.5 Rights, preferences and restrictions attached to equity shares

- The Company only has one class of equity shares which is ordinary shares. Each shareholder is eligible for one vote per share held.

- In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Hexaware Technologies Asia Pacific Pte Ltd

(SGD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

5 Right-of-use assets

	Office premises
Cost as at January 01, 2023 & December 31, 2023	1,201,486
Cost as at December 31, 2024	1,201,486
Accumulated amortisation as at January 01, 2024	807,084
Amortisation for the year	394,402
Accumulated amortisation as at December 31, 2024	1,201,486
Net carrying amount as at December 31, 2024	
Cost as at January 01, 2023	614,681
Additions	586,805
Cost as at December 31, 2023	1,201,486
Accumulated amortisation as at January 01, 2023	571,945
Amortisation for the year	235,139
Accumulated amortisation as at December 31, 2023	807,084
Net carrying amount as at December 31, 2023	394,402

Hexaware Technologies Asia Pacific Pte Ltd

(SGD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

6 Property, Plant and Equipment

Property, plant and equipment (PPE) consist of the following:

	Plant and Machinery 1	Furniture and Fixtures	Office Equipment	Total
Cost as at January 01, 2024	383,988	101,616	28,804	514,408
Additions	7,139			7,139
Cost as at December 31, 2024	391,127	101,616	28,804	521,547
Accumulated depreciation as at January 01, 2024	334,061	96,692	21,909	452,662
Depreciation for the period	13,630	4,803	5,663	24,096
Accumulated depreciation as at December 31, 2024	347,691	101,495	27,572	476,758
Net carrying amount as at December 31, 2024	43,436	121	1,232	44,789
Cost as at January 01, 2023 & December 31, 2023	383,988	101,616	28,804	514,408
Accumulated depreciation as at January 01, 2023	311,834	91,889	16,246	419,969
Depreciation for the year	22,227	4,803	5,663	32,693
Accumulated depreciation as at December 31, 2023	334,061	96,692	21,909	452,662
Net carrying amount as at December 31, 2023	49,927	4,924	6,895	61,746

Note:

1 Plant and machinery includes computer systems

7 Investments

	As at December 31, 2024	As at December 31, 2023
Non current Investments in equity shares (unquoted)		
5,000 shares of SAR 10/- each in Hexaware Technologies Saudi LLC, Saudi Arabia	10,187	10,187
	10,187	10,187

8 Other financial assets

A Other financial assets - Non-current

	As at December 31, 2024	As at December 31, 2023
Security deposits for premises and others	57,814	54,334
Total	57,014	54,334

B Other financial assets - Current

	As at December 31, 2024	As at December 31, 2023
Security deposits for premises and others	10,000	10,000
Total	10,000	10,000

9 Other assets

Other assets - Current

	As at December 31, 2024	As at December 31, 2023
Contracts assets	-	264,464
Employee advances	5,390	390
Others	-	82,408
Total	5,390	347,262

10 Income taxes

A [illegible]

	For the year ended	
	December 31, 2024	December 31, 2023
[illegible]	61,310	[illegible]
	61,310	[illegible]

B [illegible]

	For the year ended	
	December 31, 2024	December 31, 2023
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	
[illegible]		-
[illegible]	[illegible]	[illegible]
Others	[illegible]	[illegible]
	61,310	[illegible]

[illegible]

Hexaware Technologies Asia Pacific Pte Ltd

(SGD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

11 Trade receivables

a Trade receivables - Billed - Current (Unsecured)

	As at December 31, 2024	As at December 31, 2023
Considered good	3,034,441	3,773,413
Considered doubtful	230,259	402,574
	3,264,700	4,175,987
Less: Allowance for doubtful debts	(230,259)	(402,574)
Total	3,034,441	3,773,413

b Trade receivables ageing

Ageing for trade receivables as at December 31, 2024 is as follows:

	Not Due	Outstanding for following periods from due date of payment: Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good		2,407,858	573,791		2,702	150	3,034,441
Undisputed trade receivables - which have significant increase in credit risk	-	-	71,618	102,512	41,383	14,721	230,259
	-	2,407,858	645,409	102,512	44,085	14,871	3,264,700
Less : Allowance for Doubtful trade receivable							(230,259)
							3,034,441
Unbilled receivables							254,787
							3,289,228

Ageing for trade receivables as at December 31, 2023 is as follows:

	Not Due	Outstanding for following periods from due date of payment: Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	950,838	2,721,426	50,454	685	-		3,773,413
Undisputed trade receivables - which have significant increase in credit risk		60,026	2,816	274,456	31,229	33,725	402,574
	950,838	2,781,464	53,270	275,151	31,229	33,725	4,175,987
Less : Allowance for Doubtful trade receivable							(402,574)
							3,773,413
Unbilled receivables							19,631
							3,793,044

c The activity in the allowance for doubtful debts is given below:

	As at December 31, 2024	As at December 31, 2023
Balance at the beginning of the year	402,574	330,343
Current year Allowance during the year	153,544	72,231
Reversal of Allowance during the year	(325,859)	-
Balance at the end of the year	230,259	402,574

12 Cash and bank balances

Cash and cash equivalents	As at December 31, 2024	As at December 31, 2023
In current accounts with banks	13,341,151	32,802,515
Total	13,341,151	32,802,515

Hexaware Technologies Asia Pacific Pte Ltd

SGD, except share and per share data, unless otherwise stated

Notes to the Financial Statements

13 Other financial liabilities

	As at December 31, 2024	As at December 31, 2023
Other financial liabilities - Current		
Employee liabilities	181,154	152,299
Total	181,154	152,299

14 Trade payables

	As at December 31, 2024	As at December 31, 2023
Trade payables	1,330,473	1,880,674
Accrued expenses	2,487,082	2,390,823
Total	3,817,555	4,271,497

Trade payable ageing

Ageing for trade payables outstanding as at December 31, 2024 is as follows:

	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables						
Others	439,773	871,767	18,933	-		1,330,473
Disputed Dues - Others	-		-	-		-
	439,773	871,767	18,933	-		1,330,473
Accrued Expenses						2,487,082
						3,817,555

Ageing for trade payables outstanding as at December 31, 2023 is as follows:

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables						
Others	1,528,946	160,172	5,901	-	-	1,695,019
Disputed Dues - Others	-	-	-	-	185,655	185,655
	1,528,946	160,172	5,901	-	185,655	1,880,674
Accrued Expenses						2,390,823
						4,271,497

15 Other current liabilities

	As at December 31, 2024	As at December 31, 2023
Deferred revenues	130,524	5,293
Statutory liabilities	60,689	122,796
	191,213	128,089

16 Provisions

	As at December 31, 2024	As at December 31, 2023
Provisions - Current		
Employee benefit obligations in respect of compensated absences and others	60,463	16,205
	60,463	16,205

17 Revenue

17.1 Revenue disaggregation by contract type is as follows:

	For Year ended	
	December 31, 2024	December 31, 2023
Offshore	4,165,112	6,394,510
Onshore	5,411,576	6,699,997
Total revenue from operations	9,576,688	13,094,507

17.2 Revenue disaggregation by geography is as follows:

	For Year ended	
	December 31, 2024	December 31, 2023
APAC	9,576,688	13,094,507
	9,576,688	13,094,507

Hexaware Technologies Asia Pacific Pte Ltd

(SGD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

18 Other income

	For Year ended	
	December 31, 2024	December 31, 2023
Interest income	273,759	6,084
Miscellaneous income	131,810	-
Exchange rate difference (net)	223,570	(241,564)
Total	629,139	(235,480)

19 Employee benefits expense

	For Year ended	
	December 31, 2024	December 31, 2023
Salary and allowances	1,478,745	546,490
Contribution to provident, other funds and benefits	42,903	33,174
Staff welfare expenses	4,906	5,312
Total	1,526,555	584,976

20 Other expenses

	For Year ended	
	December 31, 2024	December 31, 2023
Rates and taxes	402	240
Travelling and conveyance	43,369	27,560
Electricity charges	14,727	9,206
Communication expenses	8,820	6,346
Repairs and maintenance	2,408,817	2,649,072
Printing and stationery	2,349	3,531
Audit fees	55,720	35,720
Certification work, taxation and other matters	27,339	45,677
Legal and professional fees	78,516	20,642
Advertisement and business promotion	29,478	10,432
Bank and other charges	8,014	51,334
Directors' sitting fees	2,429	2,813
Insurance charges	49,725	24,045
Sub contracting and other service charges	4,566,535	8,357,933
Life time expected credit loss	147,450	72,291
Staff recruitment expenses	3,380	92,787
Miscellaneous expenses	13,295	463
Total	7,370,306	11,560,062

21 Finance costs

	For Year ended	
	December 31, 2024	December 31, 2023
Interest on lease liabilities	19,214	4,267
Total	19,214	4,267

Hexaware Technologies Asia Pacific Pte Ltd

(SGD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

22 Earnings per share (EPS)

	For Year ended December 31, 2024	For Year ended December 31, 2023
The components of basic and diluted EPS:		
Net profit after tax	769,884	360,250
Weighted average outstanding equity shares considered for basic EPS (Nos.)	2,000,000	2,000,000
Basic earnings per share	0.39	0.18

23 Related party disclosures

23.1 Names of related parties

	Country
Ultimate Holding Company and its subsidiaries	
CA Magnum Holdings	Mauritius
Immediate Holding Company	
Hexaware Technologies Limited, India	India
Subsidiaries	
Hexaware Technologies Saudi LLC	Saudi Arabia
Key Management Personnel (KMP)	
Director	
Mr. Arvinder Singh	

23.2 Nature of Transaction

	For Year ended December 31, 2024	For Year ended December 31, 2023
1) Software & Development Expenses		
Holding Company		
Receiving of services	2,439,467	6,651,564
1) Software & Consultancy Income		
Holding Company		
Giving of services	848,819	-
2) Reimbursement of Cost		
Holding Company	[illegible]	3,724

23.3 Closing balance

	As at December 31, 2024	As at December 31, 2023
1) Trade Payables		
Hexaware Technologies Limited	705,087	1,412,561
2) Trade Receivable		
Hexaware Technologies Limited	848,819	-
3) Investment in equity Instruments		
Fellow Subsidiary	13,187	13,187
4) Provisions		
Hexaware Technologies Limited	244,453	366,566

(SGD, except share and per share data, unless otherwise stated)
Notes to the Financial Statements

24 Financial Instruments

(i) The carrying value/fair value of financial instruments (other than invest in subsidiaries and associates) by categories as at December 31, 2024 is as follows

	Amortized cost	Fair value through profit and	Fair value through other comprehensive income	Derivative instrument in hedging	Total carrying / fair value
Cash and cash equivalents	13,841,161	-	-	-	13,841,161
Trade receivables - Billed	3,904,441	-	-	-	3,904,441
Trade receivables - Unbilled	293,709	-	-	-	293,709
Other financial assets	67,814	-	-	-	67,814
Total	18,107,125	-	-	-	18,107,125
Trade payables	3,817,555	-	-	-	3,817,555
Lease liabilities	239,133	-	-	-	239,133
Other financial liabilities	181,154	-	-	-	181,154
Total	4,237,842				4,237,842

(ii) The carrying value / fair value of financial instruments (other than invest in subsidiaries and associates) by categories as at December 31, 2023 is as follows

	Amortized cost	Fair value through profit and	Fair value through other comprehensive income	Derivative instrument in hedging	Total carrying / fair value
Cash and cash equivalents	12,802,815				12,802,815
Trade receivables - Billed	2,773,413	-	-	-	2,773,413
Trade receivables - Unbilled	19,631				19,631
Other financial assets	64,314	-	-	-	64,314
Total	15,660,173	-	-	-	15,660,173
Trade payables	4,272,497	-	-	-	4,272,497
Lease liabilities	431,779	-	-	-	431,779
Other financial liabilities	152,399	-	-	-	152,399
Total	4,856,675	-	-	-	4,856,675

Carrying amount of cash and cash equivalents, other bank balances, trade receivables, unbilled revenue, [illegible], other financial assets, borrowings, deferred consideration, trade payables, lease liabilities and other financial liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant in each of the period presented.

24 Financial Instruments (Cont'd)

24.1 Financial risk management

The Company has identified the risks under verticals like client concentration risk, credit risk, foreign currency fluctuation risk and liquidity risk. The Company has formulated policies, procedures and strategies for managing risks which is affirmed by our global CEO and CFO, after consultation with all business units, functions and department heads.

Client concentration risk

57% of the revenue of 2024 is generated from top 10 clients. Any loss or major downsizing by these clients may impact Company's profitability. Further, excessive exposure to particular clients will limit Company's negotiating capacity and expose us to higher credit risk.

The Company is able to maintain a diversified high quality client roster that can be accessed through the depth of relationships with existing clients.

The Company's growth strategy involves a mix of new client addition and mining the accounts of existing clients. As we add more clients and grow our revenues from the existing clients, we naturally reduce our dependence on the large clients. Moreover, large clients allow quick scaling up of revenues and they come with much higher margins due to lower associated cost and higher cost predictability.

Credit risk

Since most of our transactions are done in credit we are exposed to credit risk on accounts receivable. Any delay, default or inability on the part of the client to pay on time will expose us to credit risk and can impact our profitability. Our maximum credit exposure is in respect of trade receivables of SGD 3,004,441 and SGD 2,773,413 as at December 31, 2024, December 31, 2023 respectively and unbilled revenue of SGD 293,789 and SGD 18,631 as at December 31, 2024, December 31, 2023 respectively.

The Company adopted an effective receivable management system to control the Days' Sales Outstanding (DSO). Refer Note No 11 for the age wise analysis of trade receivables that are not due as well as past due and allowance for the doubtful receivables.

Top 10 customer dues (including unbilled revenue) contribute 99% of the total outstanding as at December 31, 2024 (81.58% as at December 31, 2023).

Cash and cash equivalents and mutual funds are neither past due nor impaired. Cash and cash equivalents include deposits with banks and financial institution with high credit-ratings assigned by credit-rating agencies. The investment in liquid mutual fund units are measured at fair value through profit and loss.

Foreign Currency fluctuations Risk

Foreign exchange fluctuations is one of the key risks impacting our business. The Company's transactions are predominantly in SGD and incurs foreign currency risk on transactions that are denominated in currency other than SGD such as USD and GBP. The Company do not hedge any currency exposures.

The Foreign Exchange Risk Management Policy authorized by the Forex Committee of the Board takes these circumstances into account and authorizes hedging on a systematic basis. These risks have been effectively addressed by the processes and controls laid out in the Foreign Exchange Risk Management Policy. The hedge ratio assigned to the exposures depends on the time horizon in which they fall, the near term exposures get a higher ratio whereas the farther exposures get a lower ratio. This graded approach ensures that hedges are spread across the hedge horizon in a tapered down manner. The exposure as indicated below is net of derivative contracts entered into by the Company.

Curr: SGD

The following table analyses foreign currency risk from financial instruments as at December 31, 2024

	USD	EUR	HKD	GBP	CAD
Net financial assets	8,788,620	-	-	7,584	-
Net financial liabilities	2,395,427	-	-	-	-
Net assets/(liabilities)	6,393,193	-	-	7,584	-

The following table analyses foreign currency risk from financial instruments as at December 31, 2023

	USD	EUR	HKD	GBP	AUD
Net financial assets	8,473,191	-	-	68,515	-
Net financial liabilities	2,468,854	-	-	-	-
Net assets/(liabilities)	6,004,337	-	-	68,515	-

10% depreciation/appreciation of the respective foreign currencies vis a vis functional currency of the Company would result in the increase/decrease in Company's profit before tax approximately by SGD 640,078 and SGD 607,285 for the year ended December 31, 2024 and December 31, 2023, respectively.

24 Financial Instruments (Cont'd)

24.2 Liquidity risk

The Company needs continuous access to funds to meet short and long term strategic investments. The Company inability to meet such requirements in stipulated period may hamper growth plan and even ongoing operations. Further, the Company inability to quickly convert assets into cash without incurring any appreciable loss will expose it to liquidity risks.

Over the years, the Company has increased its liquidity position by improving its DSO and maintaining high cash / bank balance and investments.

As at December 31, 2024, the Company had total cash / bank balance of SGD 13,841,163 which constitutes 79.60% of our total assets. The Company does not have any debt.

The tables below provide details of the contractual maturities of significant financial liabilities as at:

Curr SGD

As at December 31, 2024	Less than 1 year	1 to 3 years	Total
Lease Liabilities	203,997	35,135	239,133
Trade payables	3,817,555	-	3,817,555
Others (Refer note 13)	181,154	-	181,154
Total	4,202,706	35,135	4,237,842

As at December 31, 2023	Less than 1 year	1 to 3 years	Total
Lease Liability	192,646	239,133	431,779
Trade payables	4,272,497	-	4,272,497
Others (Refer note 13)	152,399	-	152,399
Total	4,617,542	239,133	4,856,675

Interest rate risk

The Company does not have any debt. The balances with banks and financial institution is in the form of fixed interest rate deposits. Hence the Company is not significantly exposed to interest rate risk.

25 The Company recognized SGD 42,902 (Previous Year SGD 35,174) for Pension contribution in the statement of profit and loss account. The contributions payable to these plans by the company are at rates specified in the rules of the schemes.

26 Segment disclosures

26.1 The reportable business segments have been identified taking into account the services offered to customers operating in different industry segments based on management approach. The Chief Operating Decision Maker evaluates the company's performance and allocates resources based on analysis of various performance indicators by below business. The Company's organization structure reflects the industry segmentation. Following are the business segments:

i) Travel and Transportation (T & T)

ii) Banking and financial services (BFS)

iii) Insurance and healthcare (H & I)

iv) Manufacturing, Consumer and Others (MC&O)

v) Professional Services Group (PS)

The Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on analysis of various performance indicators by business segments.

The Company has identified business segment as the primary segment. Business segments have been identified taking into account the services offered to customers globally operating in different industry segments, differing risks and returns, the organizational and the internal reporting systems.

Hexaware Technologies Asia Pacific Pte Limited

(SGD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

26 Segment disclosures (Contd)

The Company has identified business segment as its primary segment. Business segments have been identified taking into account the services offered to customers globally operating in different industry segments, differing risks and returns, the organizational and the internal reporting systems.

Revenues and expenses directly attributable to segments are reported under each reportable business segment. Common expenses which are not directly identifiable to each reporting segment have been allocated to each reporting segment on the basis of associated revenues of the segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

Assets and liabilities used in company's business are not been identified to any of the reportable business segments as the assets are used interchangeably between segments and it is not practicable to reasonably allocate the liabilities to individual segments. Accordingly, no disclosure relating to segment assets and segment liabilities are made.

26.2 Segment reporting

26.2.1 Segment reporting for year ended 31st Dec 2024 Curr: SGD

Primary Segment: Business segments						
Particulars	T & T	BFS	H E I	M C & O	PS	Total
Segment Revenue	3,388,978	1,221,674	476,225	3,855,996	634,810	9,576,684
Segment Results - Profit /(loss)	43,707	142,444	68,214	396,005	4,947	656,631
Exchange Rate difference (net)						-
Depreciation and amortisation expense						(418,485)
Add Other income						620,180
Profit Before Tax						871,174
Less: Tax for the year						81,310
Profit After Tax						789,864

26.2.2 Segment reporting for year ended 31st Dec 2023

Primary Segment: Business segments						
Particulars	T & T	BFS	H E I	M C & O	PS	Total
Segment Revenue	2,777,399	1,398,092	1,328,501	4,938,654	2,848,931	13,054,507
Segment Results - Profit /(loss)	45,524	198,441	119,144	869,321	9,602	348,632
Exchange Rate difference (net)						
Depreciation and amortisation expense						(287,832)
Add : Other income						(225,480)
Profit before tax						440,220
Less : Tax for the year						77,500
Profit for the year						362,720

26.3 Customer information

Customer accounting for revenue in excess of 10% of revenue

	Segment	Year Ended	
		December 31, 2024	December 31, 2023
Customer A	T & T	2,522,617	2,777,307
Customer B	M C & O	2,534,828	4,938,554
Customer C	BFS	1,221,674	-
Customer D	ProSG	-	2,548,320

26.4 Company operates mainly in local markets and in the opinion of the management, it has only one reportable geographical segment, the results of which are disclosed in Financial Statement.

27 Material events after Balance Sheet date

There are no significant events after reporting date which requires an adjustment or disclosure to the financial statements.

Place : Singapore

Date : 27th January, 2025

Tel: +91 22 6974 0200
www.bdo.in

BDO India LLP
601, Floor 6, Raheja Titanium
Western Express Highway, Geetanjali Railway Colony
Ram Nagar, Goregaon (E), Mumbai 400063 INDIA

INDEPENDENT AUDITOR'S REPORT ON SPECIAL PURPOSE FINANCIAL STATEMENTS

To the Board of Directors of Hexaware Technologies Limited

Report on the Audit of the Special purpose Financial Statements

Opinion

We have audited the accompanying Special purpose Financial Statements of Mobiquity Consulting B.V. (hereinafter referred to as "the Company"), which comprise the Special purpose balance sheet as at December 31, 2024, Special purpose statement of profit and loss (including other comprehensive income), Special purpose statement of cash flow and Special purpose statement of changes in equity for the year ended December 31, 2024, and related notes to the Special purpose Financial Statements, including a summary of significant accounting policies.

The Special purpose Financial Statements have been prepared by management of the Company in accordance with significant accounting policies included in Hexaware Technologies Limited's (hereinafter referred to as "the Holding Company") financial statements for the year ended December 31, 2024, which are in accordance with Indian Accounting standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act").

However, these Special purpose Financial Statements do not include all the disclosures required by Ind AS or included in Holding Company's Ind AS Financial statements and therefore cannot be said to be compliant with Ind AS in all respects.

In our opinion, the accompanying Special purpose Financial Statements of the Company for the year ended December 31, 2024 are prepared in all material respects, in accordance with the recognition and measurement principles used in Holding Company's financial statements for the year ended December 31, 2024.

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 Special purpose 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 the ethical requirements that are relevant to our audit of the Special purpose Financial Statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Restriction on Distribution and Use

The Special purpose Financial Statements have been prepared for the purpose of internal use of Holding Company. As a result, the Special purpose Financial Statements are not a complete set of financial statements of the Company in accordance with Ind AS. It should not be used by any other person or for any other purpose. BDO India LLP shall not be liable to the Company or to any other concerned person for any claims, liabilities or expenses relating to this audit report or Special purpose financial statements.

Responsibilities of Management and those charged with Governance for Special purpose Financial Statements

Management is responsible for the preparation of these Special purpose Financial Statements in accordance with the significant accounting policies included in Holding Company's Ind AS financial statements for the year ended December 31, 2024; and this includes design, implementation and maintenance of such internal control as management determines is necessary to enable the preparation of Special purpose Financial Statement that are free from material misstatement whether due to fraud or error.

In preparing the Special purpose Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating 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 doso.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special purpose 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 Special purpose 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 Special purpose 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 expressing our opinion on whether the Company has internal financial controls with reference to Special purpose Financial Statements in place and the operating effectiveness of such 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 Special purpose 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 Special purpose Financial Statements, including the disclosures, and whether the Special purpose Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation

BDO India LLP

BDO India LLP
Place: Mumbai
Date:26/02/2025

MOBIQUITY CONSULTING B.V.
SPECIAL PURPOSE BALANCE SHEET AS AT DECEMBER 31, 2024
(Amounts in Euro, unless otherwise stated)

	Notes	As at December 31, 2024	As at December 31, 2023
I. ASSETS			
Non-current assets			
Right of use assets	3	8,599	51,647
Total Non-current assets		**8,599**	**51,647**
Current assets			
Financial assets			
Trade receivables	4	496,344	709,102
Cash and cash equivalents	5	171,190	98,710
Other current assets	6	-	80,723
Total Current assets		**667,534**	**888,535**
Total Assets		**676,133**	**940,182**
II. EQUITY AND LIABILITIES			
Equity			
Equity share capital	7	18,000	18,000
Other equity	8	204,165	45,894
Total equity		**222,165**	**63,894**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	9	-	15,148
Total non-current liabilities		**-**	**15,148**
Current liabilities			
Financial liabilities			
Lease liabilities	9	9,881	38,909
Trade payables	10	5,221	154,061
Other financial liabilities	11	263,930	411,993
Provisions	12	126,162	175,491
Other current liabilities	13	48,774	80,686
Total current liabilities		**453,968**	**861,140**
Total Liabilities		**453,968**	**876,288**
Total equity and liabilities		**676,133**	**940,182**

The accompanying notes form an integral part of the Special Purpose Financial Statements.

As per our report of even date
For BDO India LLP

BDO India LLP

Place: Mumbai
Date: 26 February 2025

For and on behalf of the Board
Mobiquity Consulting B.V.

R. Srikrishna
Director

Place: New Jersey
Date: 26 February 2025

MOBIQUITY CONSULTING B.V.
SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Euro, unless otherwise stated)

	Notes	For the year ended December 31, 2024	For the year ended December 31, 2023
INCOME			
Revenue from operations	14	2,501,786	2,382,637
Other income	15	-	1,477
Total income		**2,501,786**	**2,384,114**
EXPENSES			
Software and development expenses		27,959	114,501
Employee benefit expense	16	2,166,729	2,791,715
Finance costs	17	836	2,532
Depreciation and amortization expense	18	26,853	54,114
Other expenses	19	121,138	164,744
Total expenses		**2,343,515**	**3,127,606**
Profit /(loss) before tax		**158,271**	**(743,492)**
		z	
Profit/(loss) for the year		**158,271**	**(743,492)**
Other comprehensive income for the year		-	-
Total Comprehensive income/(loss) for the year		**158,271**	**(743,492)**
Earnings per share (Face value EURO 10 per share)			
Basic and diluted earnings per share (EURO)	20	87.93	(413.05)

The accompanying notes form an integral part of the Special Purpose Financial Statements.

As per our report of even date
For BDO India LLP

BDO India LLP

BDO INDIA LLP

Place: Mumbai
Date: 26 February 2025

For and on behalf of the Board
Mobiquity Consulting B.V.

R. Srikrishna
Director

Place: New Jersey
Date: 26 February 2025

MOBIQUITY CONSULTING B.V.
SPECIAL PURPOSE STATEMENT OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Euro, unless otherwise stated)

	For the year ended December 31, 2024	For the year ended December 31, 2023
A. Cash flow from operating activities		
Profit/(loss) before tax	158,271	(743,492)
Adjustments		
Depreciation on ROU assets	26,853	54,114
Finance cost	836	2,532
Reversal of impairment provision on financial asset	-	(1,477)
Operating profit/(loss) before working capital changes	**185,960**	**(688,323)**
Changes in Operating Assets and Liabilities:-		
(Decrease)/Increase in trade payables	(148,840)	84,671
Decrease in other financial liabilities	(148,063)	(90,322)
Decrease in provisions	(49,329)	(904)
Decrease in other current liabilities	(31,912)	(482,556)
Decrease in trade receivables	212,758	1,310,090
Decrease in other financial assets	-	3,112
Decrease in other current assets	80,724	3,529
Net Changes in working capital	**(84,662)**	**827,620**
Income tax paid	-	-
Net cash used in operating activities (A)	**101,298**	**139,297**
B. Cash flow from Investing activities	**-**	**-**
B. Net cash generated from/(used in) investing activities (B)	**-**	**-**
C. Cash flow from Financing activities (C)		
Lease liability payment	(27,982)	(55,133)
Interest Expense	(836)	(2,532)
Net cash used in financing activities (C)	**(28,818)**	**(57,665)**
Net increase in cash and cash equivalents (A+B+C)	72,480	81,632
Cash and cash equivalents at the beginning of the period	98,710	17,078
Cash and cash equivalents at the end of the period	**171,190**	**98,710**
Cash and cash equivalents comprise (Refer Note 5)		
Balances with banks		
On current accounts	171,190	98,710
Total cash and cash equivalents at end of the period	**171,190**	**98,710**

The accompanying notes form an integral part of the Special Purpose Financial Statements.

As per our report of even date
For BDO India LLP

BDO India LLP

BDO INDIA LLP

Place: Mumbai
Date: 26 February 2025

For and on behalf of the Board
Mobiquity Consulting B.V.

R. Srikrishna
Director

Place: New Jersey
Date: 26 February 2025

MOBIQUITY CONSULTING B.V.
SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Euro, unless otherwise stated)

(A) Equity Share Capital (Issued, Subscribed and Paid up)

Particulars	Number of Shares	Amount
Balance as at January 1, 2024	**1,800**	**18,000**
Changes in equity share capital	-	-
Balance as at December 31, 2024	**1,800**	**18,000**

Particulars	Number of Shares	Amount
Balance as at January 1, 2023	**1,800**	**18,000**
Changes in equity share capital	-	-
Balance as at December 31, 2023	**1,800**	**18,000**

(B) Other equity

Particulars	Retained earnings	Total
Balance as at January 1, 2024	45,894	45,894
Profit for the period	158,271	158,271
Balance as at December 31, 2024	**204,165**	**204,165**

Particulars	Retained earnings	Total
Balance as at January 1, 2023	**789,386**	**789,386**
Loss for the period	(743,492)	**(743,492)**
Balance as at December 31, 2023	**45,894**	**45,894**

The accompanying notes form an integral part of the Special Purpose Financial Statements.

As per our report of even date
For BDO India LLP

BDO India LLP

Place: Mumbai
Date: 26 February 2025

For and on behalf of the Board
Mobiquity Consulting B.V.

R. Srikrishna
Director

Place: New Jersey
Date: 26 February 2025

1 Corporate Information

Mobiquity Consulting BV ("MCC" or "the Company") is registered at the Chamber of Commerce under number 50459767. The registered office of the Company is Tommaso Albinonistraat 5, 1083 HM, Amsterdam, The Netherlands. The Company delivers effortless digital experiences spanning mobile, web, voice and internet of things on behalf of leading enterprise brands. It provides strategy, experience design, product engineering, cloud and analytics services to help clients drive deeper digital engagement and improve loyalty, under both fixed price and 'time and materials' arrangements. Till June 13, 2019 Mobiquity Cooperatief UA Netherland and Mobquity Inc. USA was the Company's holding company and ultimate holding company respectively.

On September 13, 2019, Hexaware Technologies Limited, India ('Hexaware' or the 'Ultimate Holding Company'), a public limited company incorporated in India, acquired 100% shareholding of the Hexaware Technologies Inc., USA including its subsidiaries. Hexaware is a leading Global IT consulting and digital solutions Company. Consequent to acquisition of 100% shareholding of Hexaware Technologies Inc., USA by Hexaware, Mobiquity Cooperatief UA Netherland, Mobiquity Inc. USA and Hexaware Technologies Limited became the Company's immediate holding company, intermediate holding company and ultimate holding company respectively. These financial statements have been prepared as if it is a continuation of the erstwhile Mobiquity Consulting BV.

2 Significant Accounting Policies

2.1 Basis of preparation and presentations

The Special Purpose Financial Statements ('Financial Statements') have been prepared for the purpose of internal use of Hexaware Technologies Limited ('Ultimate Holding Company').

The financial statements comply in all material aspects with respect to recognition and measurement requirements of Ultimate Holding company's accounting policies. Ultimate Holding company's accounting policies are in accordance with 'Indian Accounting standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. These financial statements do not include all required notes and disclosures as required under Ind AS, accordingly these financial statements cannot be construed as in compliance with Ind AS to that extent.

The Company prepares its financial statements for their local reporting in accordance with the Provisions of Title 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Dutch Accounting Standards, as published by the Dutch Accounting Standards Boards (referred to as "Dutch GAAP financial statements"). The management of the Company has compiled the Special Purpose Standalone Financial Statements using the Dutch GAAP Financial Statements and after incorporating required adjustments for GAAP differences between Dutch GAAP and Ind AS applicable to the Company. The Company will continue reporting under applicable Dutch GAAP for their local reporting.

These financial statements are prepared on historical cost basis, except for certain financial instruments which are measured at fair values as explained in the accounting policies below.

These financial statements have been prepared in EURO which is the functional currency of the Company.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

2.2 Critical accounting judgements and key source of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expense, assets and liabilities and disclosures relating to contingent liabilities on the date of the financial statements. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the period in which the estimate is revised and in any future period affected.

Key source of estimation uncertainty which may cause material adjustments:

(i) Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts expended to date as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Revenue from related parties on account of resource sharing : Revenue is billed to related parties after adding of a mark up percentage over cost incurred by the Company. The mark up is as per transfer pricing regulations applicable to the Company which suitably demonstrates the arm's length price.

(ii) Income-tax

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax asset on unrecognised tax benefits. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

(iii) Others

Others areas involving estimates relates to useful lives of Property, Plant and Equipment.

(THE SPACE IS LEFT BLANK INTENTIONALLY)

2.3 Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the company expects to receive in exchange for those products or services.

In case of contract on time and material basis, transaction-based or volume-based contracts, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognized using percentage of completion method. The company uses the efforts expended to date as a proportion to the total efforts to be expended as a basis to measure the degree of completion. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated. Amount received or billed in advance of services performed are recorded as Contract liability. Contract assets represents revenue recognized based on services performed in advance of billing in accordance with contract terms.

Revenues related to fixed-price maintenance, testing and business process services are recognized based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognized as the service is performed using the percentage of completion method.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Revenue from related parties on account of resource sharing : Revenue is billed to related parties after adding of a mark up percentage over cost incurred by the Company. The mark up is as per transfer pricing regulations applicable to the Company which suitably demonstrates the arm's length price.

2.4 Leases - Ind AS 116

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use asset is determined on the same basis as those of property, plant and equipment. Right-of-use asset are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

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The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an rent expense on a straight-line basis over the lease term.

2.5 Functional and presentation currency

Foreign currency

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rate prevailing on the date of the Balance Sheet. The resulting exchange difference on such restatement and settlement is recognized in the profit or loss, except exchange differences on transactions entered into in order to hedge certain foreign currency risk.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date of Balance Sheet. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. Items in the statement of profit or loss have been translated using average exchange rates. Translation adjustments have been reported as foreign currency translation reserve in Other comprehensive income.

2.6 Borrowing Cost

Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss.

2.7 Employee Benefits

a) **Post-employment benefits and other long term benefit plan**

Payments to defined contribution retirement schemes are recognised as an expense when the employees have rendered service entitling them to such benefits.

b) **Short term employee benefit**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period when the employee renders those services. These benefits include compensated absences such as leave expected to be availed within a year, statutory employee profit sharing and bonus payable.

2.8 Share based compensation

Equity settled share based payments to employees and directors are measured at the fair value of the equity instruments at the grant date which is recognised over the vesting period based on periodic estimate of the equity instruments that will eventually vest, with the corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest with impact of revision recognised in the profit or loss such that the cumulative expense reflects the revised estimates, with a corresponding adjustment to share option outstanding account.

Employees of the Company are granted share based payments of Ultimate Holding Company. Ultimate Holding Company recharges cost related to these share based payment to the Company. The amount payable to the Holding Company is recognised as employees expenses with corresponding amount recognised as liability.

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2.9 Taxes on Income

Income tax expense comprises of current tax and deferred tax. Current and deferred tax are recognised in net income, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax is measured at the amount expected to be paid or recovered from tax authorities using enacted or substantively enacted tax rates.

Deferred taxes are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profits, except when the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profit at the time of the transaction.

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

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

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Advance taxes and provisions for current income taxes as well as deferred tax assets and liabilities are presented in the Balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the entity intends to settle the asset and liability on a net basis.

2.10 Impairment

a) Financial assets (other than at fair value)

The Company assesses at each balance sheet date whether a financial asset or a Company of financial assets is impaired under Ind AS 109.

"Financial Instrument" requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses. if the credit risk on the financial asset has increased significantly since initial recognition.

b) Non-financial assets

At the end of each reporting period, the Company assesses whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs or allocated. Impairment loss is charged to the profit or loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.11 Provisions and contingent liabilities

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the Company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

Onerous Contracts

A contract is considered as onerous when the expected economic benefits to be derived by the company from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

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2.12 Non derivative financial instruments

Financial assets and liabilities are recognised when Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from fair value measured on initial recognition of financial asset or financial liability.

a) Financial assets and financial liabilities – subsequent measurement

(i) **Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held with a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) **Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held with a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) **Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

(iv) **Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

2.12 Non derivative financial instruments

a) Financial assets and financial liabilities – subsequent measurement

(v) **Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

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(vi) **Derecognition of financial assets**

A financial asset is derecognised only when

a) the rights to receive cash flows from the financial asset is transferred or expired

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognised only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the financial asset is neither transferred, nor the entity retains substantially all risks and rewards of ownership of the financial asset, then in that case financial asset is derecognized only if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(vii) **Financial liabilities**

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

(viii) **Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

b) Share capital

Equity shares

Incremental costs directly attributable to the issue or re-purchase of equity shares, net of any tax effects, are recognised as a deduction from equity.

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2.13 Fair value measurement

The Company measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or

► In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

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

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

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

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

2.14 Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

2.15 Earnings per share ('EPS')

Basic EPS are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.16 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended December 31,2024 MCA has notified Ind AS 117 – Insurance Contracts applicable to the Company w.e.f. January 1, 2025. The Company has reviewed the new standard and based on its evaluation has determined that it does not have any significant impact in its financial information.

2.17 Previous year amounts have been reclassified for consistency with to confirm to the current year (2024) presentation

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MOBIQUITY CONSULTING B.V.
NOTES FORMING PART OF SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Euro, unless otherwise stated)

3 RIGHT OF USE ASSETS

Particulars	Vehicles	Total
Carrying amount as at January 1, 2024	**51,647**	**51,647**
Add: Additions/(Deletions) during the period	(16,195)	(16,195)
Less: Depreciation for the period	(26,853)	(26,853)
Carrying amount as at December 31, 2024	**8,599**	**8,599**
Carrying amount as at January 1, 2023	**135,270**	**135,270**
Add: Additions/(Deletions) during the period	(29,509)	(29,509)
Less: Depreciation for the period	(54,114)	(54,114)
Carrying amount as at December 31, 2023	**51,647**	**51,647**

4 TRADE RECEIVABLES

Particulars	As at December 31, 2024	As at December 31, 2023
-Considered good	496,344	709,102
-Considered doubtful	-	192
	496,344	709,294
Less : Allowance for expected credit losses	-	(192)
Total	**496,344**	**709,102**

*** Includes Receivable from related parties (Refer Note 23c)**	496,344	670,990

5 CASH AND CASH EQUIVALENTS

Particulars	As at December 31, 2024	As at December 31, 2023
Balances with banks		
On current accounts	171,190	98,710
Total	**171,190**	**98,710**

6 OTHER CURRENT ASSETS (NON-FINANCIAL)

Particulars	As at December 31, 2024		As at December 31, 2023	
	Non-current	Current	Non-current	Current
Prepaid Expenses	-	-	-	80,723
Total	**-**	**-**	**-**	**80,723**

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MOBIQUITY CONSULTING B.V.
NOTES FORMING PART OF SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Euro, unless otherwise stated)

7 EQUITY SHARE CAPITAL

Particulars	**As at December 31, 2024**	**As at December 31, 2023**
Issued, Subscribed and paid up		
1,800 equity shares with a nominal value of EURO 10 per share	18,000	18,000
Total	**18,000**	**18,000**

a) Reconciliation of equity shares outstanding at the beginning and at the end of the period

Particulars	**As at December 31, 2024**		**As at December 31, 2023**	
	No. of shares	**Amount**	**No. of shares**	**Amount**
Outstanding as on beginning of the period	1,800	18,000	1,800	18,000
Outstanding as on end of the period	1,800	18,000	1,800	18,000

(b) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	**As at December 31, 2024**		**As at December 31, 2023**	
Name of the shareholder	**No. of shares**	**% of holding**	**No. of shares**	**% of holding**
Mobiquity Cooperatief U.A.	1,800	100%	1,800	100%

8 OTHER EQUITY

Particulars	**As at December 31, 2024**	**As at December 31, 2023**
Retained earnings	204,165	45,894
Total	**204,165**	**45,894**

a) Retained earnings

Particulars	**As at December 31, 2024**	**As at December 31, 2023**
Opening balance	45,894	789,387
Add : Net Profit for the period	158,271	(743,493)
Closing balance	**204,165**	**45,894**

9 LEASE LIABILITIES

Particulars	**As at December 31, 2024**		**As at December 31, 2023**	
	Non-current	**Current**	**Non-current**	**Current**
Lease liabilities	-	9,881	15,148	38,909
Total	**-**	**9,881**	**15,148**	**38,909**

(a) Movement of lease liabilities

Particulars	**Vehicles**	**Total**
As at January 1, 2024	**54,057**	**54,057**
Add: Additions/Deletions	(16,194)	(16,194)
Add: Interest expenses	836	836
Less: Lease payments	(28,818)	(28,818)
As at December 31, 2024	**9,881**	**9,881**
As at January 1, 2023	**138,698**	**138,698**
Add: Additions/Deletions	(29,509)	(29,509)
Add: Interest expenses	2,532	2,532
Less: Lease payments	(57,664)	(57,664)
As at December 31, 2023	**54,057**	**54,057**

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MOBIQUITY CONSULTING B.V.
NOTES FORMING PART OF SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Euro, unless otherwise stated)

10 TRADE PAYABLES

Particulars	As at December 31, 2024	As at December 31, 2023
Trade payables	5,221	154,061
Total	**5,221**	**154,061**

11 OTHER FINANCIAL LIABILITIES

Particulars	As at December 31, 2024		As at December 31, 2023	
	Non-current	Current	Non-current	Current
Accrued expenses	-	33,605	-	-
Accrued employee benefit expenses	-	230,325	-	411,993
Total	**-**	**263,930**	**-**	**411,993**

12 PROVISIONS

Particulars	As at December 31, 2024		As at December 31, 2023	
	Non-current	Current	Non-current	Current
Provision for leave encashment	-	126,162	-	175,491
Total	**-**	**126,162**	**-**	**175,491**

13 OTHER LIABILITIES (NON-FINANCIAL)

Particulars		As at December 31, 2024		As at December 31, 2023	
		Non-current	Current	Non-current	Current
Statutory dues		-	48,774	-	80,686
Total		**-**	**48,774**	**-**	**80,686**

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14 REVENUE FROM OPERATIONS

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Sale of services	2,501,786	2,382,637
Total	**2,501,786**	**2,382,637**

Timing of revenue recognition

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Services provided over a period of time	2,501,786	2,382,637
Total revenue from contracts with customers	**2,501,786**	**2,382,637**

15 OTHER INCOME

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Reversal of impairment provision on financial asset	-	1,477
Total	**-**	**1,477**

16 EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Salaries, wages and bonus	1,778,136	2,529,260
Pension contributions	178,010	254,535
Staff welfare expenses	210,583	7,920
Total	**2,166,729**	**2,791,715**

17 FINANCE COSTS

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest expense:		
- On lease liability	836	2,532
Total	**836**	**2,532**

18 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Depreciation on Right of use assets	26,853	54,114
Total	**26,853**	**54,114**

19 OTHER EXPENSES

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Communication expenses	10	6,264
Travelling and conveyance	47,635	63,765
Legal and professional fees	(4,133)	169
Insurance Charges	71,397	82,669
Miscellaneous expenses	6,229	11,877
Total	**121,138**	**164,744**

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20 EARNING PER SHARE (EPS)

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Profit attributable to equity holders	158,271	(743,492)
Weighted average number of Equity Shares for basic and diluted EPS	1,800	1,800
Basic and Diluted Earnings per share	87.93	(413.05)

21 LEASES

The Company has taken vehicles on operating lease. The agreements are executed for a period ranging from 24 months to 65 months. The aggregate depreciation expense on right of use assets is included under depreciation expense in the statement of Profit and Loss.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The weighted average incremental borrowing rate applied to lease liabilities at 3%. p.a.

22 CONTINGENT LIABILITY AND COMMITMENTS

There are no contingent liabilities or commitments as at December 31, 2024.

23 RELATED PARTY DISCLOSURES

(a) Names of the related parties where control exists and transactions have occurred

Name of Related Party	Nature of Relationship
Hexaware Technologies Limited, India	Ultimate holding company
Mobiquity Inc., USA	Intermediate holding company
Mobiquity BV, Netherlands	Fellow subsidiary

(b) Details of transactions with related party in the ordinary course of business:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue from operations		
Mobiquity Inc., USA	20,034	80,136
Mobiquity BV, Netherlands	417,311	1,967,785
Hexaware Technologies Limited, India	2,028,718	-
Expenses for the period		
Mobiquity BV, Netherlands	(26,331)	(142,740)
Advances received from		
Mobiquity BV, Netherlands	(1,134,400)	-
Advances paid back		
Mobiquity BV, Netherlands	1,134,400	-

(c) Outstanding balances

	As at December 31, 2024	As at December 31, 2023
Trade Receivable (Refer Note 4)		
Mobiquity Inc., USA	-	20,162
Mobiquity BV, Netherlands	-	650,828
Hexaware Technologies Limited, India	496,344	-

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24 CATEGORIES OF FINANCIAL INSTRUMENTS

Particulars	As at December 31, 2024	As at December 31, 2023
A) Financial assets		
Financial assets measured at amortised cost		
Current		
Trade receivable	496,344	709,102
Cash and cash equivalents	171,190	98,710
Total	**667,534**	**807,812**

Particulars	As at December 31, 2024	As at December 31, 2023
B) Financial liabilities		
Financial liabilities measured at amortised		
Non-current		
Lease liabilities	-	15,148
Current		
Lease liabilities	9,881	38,909
Trade payables	5,221	154,061
Other financial liabilities	263,930	411,993
Total	**279,032**	**620,111**

Carrying amount of cash and cash equivalents, trade receivable, contract assets, loan, trade payables, other financial assets and liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of financial assets and liabilities subsequently measured at amortised cost is not significant.

25 FINANCIAL RISK MANAGEMENT

The Board of Directors has overall responsibility for determining the type and level of business risks that the Company undertakes to achieve its corporate objectives. The board of directors is accountable for maintaining an effective control environment that reflects established risks appetite and business objectives. The Board of director's policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered, and emerging best practices. The Company's activities expose it to the following risks: market risk, credit risk and liquidity risk.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's doesn't have any interest bearing financial instruments. Hence, the Company is not exposed to interest rate risk.

Foreign currency risk
The Company is not exposed to foreign currency risk as transactions are mainly denominated in EURO, which is its functional currency.

Credit risk
Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

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(i) Cash and cash equivalents
Credit risk from balances with banks/financial institutions is considered nil, since the counterparty is a reputable bank with high quality external credit rating. Based on assessment carried by the Company, entire receivable under this category is classified as "Stage 1".

(ii) Trade receivables (including contract assets)
The Company applies the Ind AS 109 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance (ECL) for Trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company's trade receivable are having short credit period and historically majority of trade receivables are recovered within short span of time.

Specific provision may be required due to any reasons such as credit deterioration, etc. Trade receivable under specific provision case, are assessed individually. Currently, all trade receivables are good and does not required allowance for expected credit loss.

i) The maximum exposure to credit risk is presented in the table below:

Particulars	As at December 31, 2024		
	Gross carrying amount	Allowance for expected credit losses	Amortised cost
Trade receivables	496,344	-	496,344
Total	**496,344**	**-**	**496,344**

Particulars	As at December 31, 2023		
	Gross carrying amount	Allowance for expected credit losses	Amortised cost
Trade receivables	709,294	(192)	709,102
Total	**709,294**	**(192)**	**709,102**

ii) Ageing Analysis of trade receivables:

	As at December 31, 2024			
	Not due	Due less than 180 days	Due more than 180 days	Total
Trade receivables	326,480	169,864	-	**496,344**
Less: Allowance for expected credit losses	-	-	-	**-**
	326,480	**169,864**	**-**	**496,344**

Particulars	As at December 31, 2023			
	Not due	Due less than 180 days	Due more than 180 days	Total
Trade receivables	8,356	700,938	-	**709,294**
Less: Allowance for expected credit losses	-	(192)	-	**(192)**
Total	**8,356**	**700,746**	**-**	**709,102**

iii) Set out below is the movement in the allowance for expected credit losses of trade receivables:

Particulars	As at December 31, 2024	As at December 31, 2023
Balance at the beginning of the period	192	1,669
Expense/(reversal) for the period	(192)	(1,477)
Balance at the end of the period	**-**	**192**

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BDO INDIA LLP

MOBIQUITY CONSULTING B.V.
NOTES FORMING PART OF SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Euro, unless otherwise stated)

(iii) Other financial assets
Other financial assets mainly includes deposits, receivable from related parties etc. Based on assessment carried by the company, entire receivable is under this category is classified as "Stage 1". There is no history of loss and credit risk from other financial assets. Therefore credit risk from remaining other financial assets is not material and hence considered Nil.

Liquidity risk
Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity 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.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments"

As at December 31, 2024	Less than 1 Year	1 to 5 years	more than 5 years	Total
Lease liabilities	9,981	-	-	9,981
Trade payables	5,221			5,221
Contract Liabilities	263,930			263,930

As at December 31, 2023	Less than 1 Year	1 to 5 years	more than 5 years	Total
Lease liabilities	35,114	20,241	-	55,355
Trade payables	154,061	-	-	154,061
Other financial liabilities	411,993	-	-	411,993

26 CAPITAL MANAGEMENT
The Company's objectives when managing capital is to maintain optimal capital structure to continue to provide for adequate capital in the business, returns for shareholders and benefits for other stakeholders in the form of dividends, return of capital or issue of new shares.

27 RECLASSIFICATION OF PREVIOUS YEAR PRESENTATION
Ceratin previous year amounts have been reclassified for consistency with to confirm to the current year (2024) presentation.

28 MATERIAL EVENTS AFTER BALANCE SHEET DATE
There is no significant event after reporting date which require adjustment or disclosure to the Financial Statements.

29 FINANCIAL STATEMENT APPROVAL
These Financial Statements have been approved and authorised by the Board on 26 February 2025

As per our report of even date
For BDO India LLP

BDO India LLP

Place: Mumbai
Date: 26 February 2025

For and on behalf of the Board
Mobiquity Consulting B.V.

R. Srikrishna
Director

Place: New Jersey
Date: 26 February 2025

Tel: +91 22 6974 0200

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BDO India LLP
601, Floor 6, Raheja Titanium
Western Express Highway, Geetanjali Railway Colony
Ram Nagar, Goregaon (E), Mumbai 400063, INDIA

INDEPENDENT AUDITOR'S REPORT ON SPECIAL PURPOSE FINANCIAL STATEMENTS

To the Board of Directors of Hexaware Technologies Limited

Report on the Audit of the Special purpose Financial Statements

Opinion

We have audited the accompanying Special purpose Financial Statements of Mobiquity BV (hereinafter referred to as "the Company"), which comprise the Special purpose balance sheet as at December 31, 2024, Special purpose statement of profit and loss (including other comprehensive income), Special purpose statement of cash flow and Special purpose statement of changes in equity for the year ended December 31, 2024, and related notes to the Special purpose Financial Statements, including a summary of significant accounting policies.

The Special purpose Financial Statements have been prepared by management of the Company in accordance with significant accounting policies included in Hexaware Technologies Limited's (hereinafter referred to as "the Holding Company") financial statements for the year ended December 31, 2024, which are in accordance with Indian Accounting standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act").

However, these Special purpose Financial Statements do not include all the disclosures required by Ind AS or included in Holding Company's Ind AS financial statements and therefore cannot be said to be compliant with Ind AS in all respects.

In our opinion, the accompanying Special purpose Financial Statements of the Company for the year ended December 31, 2024 are prepared in all material respects, in accordance with the recognition and measurement principles used in Holding Company's financial statements for the year ended December 31, 2024.

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 Special purpose 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 the ethical requirements that are relevant to our audit of the Special purpose Financial Statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Restriction on Distribution and Use

The Special purpose Financial Statements have been prepared for the purpose of internal use of Holding Company. As a result, the Special purpose Financial Statements are not a complete set of financial statements of the Company in accordance with Ind AS. It should not be used by any other person or for any other purpose. BDO India LLP shall not be liable to the Company or to any other concerned person for any claims, liabilities or expenses relating to this audit report or Special purpose financial statements.

Responsibilities of Management and those charged with Governance for Special purpose Financial Statements

Management is responsible for the preparation of these Special purpose Financial Statements in accordance with the significant accounting policies included in Holding Company's Ind AS financial statements for the year ended December 31, 2024; and this includes design, implementation and maintenance of such internal control as management determines is necessary to enable the preparation of Special purpose Financial Statement that are free from material misstatement whether due to fraud or error.

In preparing the Special purpose Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating 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 doso.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special purpose 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 Special purpose 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 Special purpose 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 expressing our opinion on whether the Company has internal financial controls with reference to Special purpose Financial Statements in place and the operating effectiveness of such 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 Special purpose 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 Special purpose Financial Statements, including the disclosures, and whether the Special purpose Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

BDO India LLP

BDO India LLP
Place: Mumbai
Date: 26/02/2025

MOBIQUITY B.V.
SPECIAL PURPOSE BALANCE SHEET AS AT DECEMBER 31, 2024
(Amounts in Euro, unless otherwise stated)

	Notes	As at December 31, 2024	As at December 31, 2023
I. ASSETS			
Non-current assets			
Property, plant and equipment	3	1,392,150	1,747,058
Right of use assets	4	3,841,578	6,131,409
Other financial assets	7	220,032	782,787
Deferred Tax Assets (Net)	8	2,218,830	2,889,445
Total Non-current assets		**7,672,590**	**11,550,699**
Current assets			
Financial assets			
Trade receivables	5	6,366,108	8,715,807
Contract assets		63,190	63,407
Cash and cash equivalents	6	818,658	2,160,570
Other financial assets	7	202,201	369,694
Advance tax assets (Net)		-	559,131
Other current assets	9	292,665	575,357
Total Current assets		**7,742,822**	**12,443,966**
Total Assets		**15,415,412**	**23,994,665**
II. EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	18,000	18,000
Other equity	11	(3,654,770)	(4,336,583)
Total equity		**(3,636,770)**	**(4,318,583)**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	12	3,283,160	4,568,326
Total non-current liabilities		**3,283,160**	**4,568,326**
Current liabilities			
Financial liabilities			
Lease liabilities	12	805,699	2,327,475
Trade payables	13	5,872,622	10,422,740
Other financial liabilities	14	6,072,765	7,488,231
Provisions	15	484,121	615,721
Other current liabilities	16	2,533,815	2,890,755
Total current liabilities		**15,769,022**	**23,744,922**
Total liabilities		**19,052,182**	**28,313,248**
Total equity and liabilities		**15,415,412**	**23,994,665**

The accompanying notes form an integral part of the Special Purpose Financial Statements.

As per our report of even date
For BDO India LLP

BDO India LLP

Place: Mumbai
Date: 26 February 2025

For and on behalf of the Board
Mobiquity B.V.

R. Arikrishna
Director

Place: New Jersey
Date: 26 February 2025

MOBIQUITY B.V.
SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Euro, unless otherwise stated)

	Notes	For the year ended December 31, 2024	For the year ended December 31, 2023
INCOME			
Revenue from operations	17	29,138,157	38,900,595
Other income	18	7,104	276,372
Total income		**29,145,261**	**39,176,967**
EXPENSES			
Software and development expenses		5,211,411	16,925,884
Employee benefit expense	19	17,386,667	21,178,203
Finance costs	20	586,495	191,571
Depreciation/amortization expense	21	1,401,590	1,625,769
Impairment (reversed) on financial asset	22	(295,787)	(574,047)
Other expenses	23	3,771,823	3,346,594
Total expenses		**28,062,199**	**42,693,974**
Profit/(Loss) before taxes		**1,083,062**	**(3,517,007)**
Profit/(Loss) before taxes		**1,083,062**	**(3,517,007)**
Tax expense			
Current Tax		(269,366)	-
Deferred Tax Charge / (Credit)	8b	670,615	(1,053,554)
Total Tax Expense		**401,249**	**(1,053,554)**
Profit/(Loss) after taxes		**681,813**	**(2,463,453)**
Other comprehensive income for the year		-	-
Total Comprehensive income for the year		**681,813**	**(2,463,453)**
Earnings per share (Face value EURO 50 per share)			
Basic and diluted earnings per share (EURO)	24	1,893.93	(6,842.93)

The accompanying notes form an integral part of the Special Purpose Financial Statements.

As per our report of even date
For BDO India LLP

BDO India LLP

BDO INDIA LLP

For and on behalf of the Board
Mobiquity B.V.

R. Srikrishna
Director

Place: Mumbai
Date: 26 February 2025

Place: New Jersey
Date: 26 February 2025

MOBIQUITY B.V.

SPECIAL PURPOSE STATEMENT OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31, 2024

(Amounts in Euro, unless otherwise stated)

	For the year ended December 31, 2024	For the year ended December 31, 2023
A. Cash flow from operating activities		
Profit/(Loss) before tax	1,083,062	(3,517,007)
Adjustments for:		
Depreciation on ROU assets	1,401,590	1,625,769
Finance cost	164,332	191,571
Interest income	(3,147)	(179,205)
Impairment (reversed) on financial asset	(295,787)	(574,047)
Operating profit/(loss) before working capital changes	**2,350,050**	**(2,452,919)**
Changes in working capital		
(Decrease)/Increase in trade payables	(4,550,118)	1,045,927
(Decrease)/Increase in other financial liabilities	(1,415,466)	6,111,431
(Decrease)/Increase in provisions	(131,600)	66,582
Decrease in other current liabilities	(356,940)	(3,251,579)
Decrease/(Increase) in trade receivables	2,645,486	(146,624)
Decrease/(Increase) in contract assets	217	(39,142)
Decrease/(Increase) in other financial assets	730,248	(158,743)
Decrease/(Increase) in other current assets	282,693	(209,905)
Cash (used in)/generated from operations	**(2,795,480)**	**3,417,947**
Income tax (paid)/refund	828,497	(228,090)
Net cash used in operating activities (A)	**383,067**	**736,938**
B. Cash flow from Investing activities		
Payment for purchase of property, plant and equipment	(123,465)	(233,975)
Net cash used in investing activities (B)	**(123,465)**	**(233,975)**
C. Cash flow from Financing activities		
Lease payments	(1,440,329)	(1,093,649)
Interest Expense on lease	(164,332)	128,154
Interest Income	3,147	(174,373)
Net cash used in financing activities (C)	**(1,601,514)**	**(1,139,868)**
Net (decrease) in cash and cash equivalents (A+B+C)	**(1,341,912)**	**(636,905)**
Cash and cash equivalents at the beginning of the year	2,160,570	2,797,475
Cash and cash equivalents at the end of the year	**818,658**	**2,160,570**
Cash and cash equivalents comprise (Refer Note 6)		
Balances with banks		
On current accounts	818,658	2,160,570
Total cash and cash equivalents at end of the year	**818,658**	**2,160,570**

The accompanying notes form an integral part of the Special Purpose Financial Statements.

As per our report of even date
For BDO India LLP

BDO India LLP

Place: Mumbai
Date: 26 February 2025

For and on behalf of the Board
Mobiquity B.V.

R. Sri Krishna
Director
Place: New Jersey
Date: 26 February 2025

MOBIQUITY B.V.
SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Euro, unless otherwise stated)

(A) Equity Share Capital (Issued and Subscribed)

Particulars	Number of Shares	Amount
Balance as at January 1, 2024	**360**	**18,000**
Changes in equity share capital	-	-
Balance as at December 31, 2024	**360**	**18,000**
Balance as at January 1, 2023	**360**	**18,000**
Changes in equity share capital	-	-
Balance as at December 31, 2023	**360**	**18,000**

(B) Other equity

Particulars	Reserves and Surplus	Total
	Retained earnings	
Balance as at January 1, 2024	**(4,336,583)**	**(4,336,583)**
Profit for the year	681,813	**681,813**
Balance as at December 31, 2024	**(3,654,770)**	**(3,654,770)**

Particulars	Reserves and Surplus	Total
	Retained earnings	
Balance as at January 1, 2023	**(1,873,130)**	**(1,873,130)**
Loss for the year	(2,463,453)	**(2,463,453)**
Balance as at December 31, 2023	**(4,336,583)**	**(4,336,583)**

As per our report of even date
For BDO India LLP

BDO India LLP

Place: Mumbai
Date: 26 February 2025

For and on behalf of the Board
Mobiquity B.V.

R. Srikrishna
Director

Place: New Jersey
Date: 26 February 2025

1 Corporate Information

Mobiquity BV (“Mobiquity” or "the Company”) is registered at the Chamber of Commerce under number 34270669. The registered office of the Company is Tommaso Albinonistraat 5, 1083 HM, Amsterdam, Netherlands. The Company delivers effortless digital experiences spanning mobile, web, voice and internet of things on behalf of leading enterprise brands. It provides strategy, experience design, product engineering, cloud and analytics services to help clients drive deeper digital engagement and improve loyalty, under both fixed price and 'time and materials' arrangements.

On June 13, 2019, Hexaware Technologies Limited, India ('Hexaware' or the 'Ultimate Holding Company'), a public company incorporated in India, acquired 100% shareholding of the Hexaware Technologies Inc., USA including its subsidiaries. Hexaware is a leading Global IT consulting and digital solutions Company. Consequent to acquisition of 100% shareholding of Hexaware Technologies Inc., USA by Hexaware, Mobiquity Cooperatief UA Netherland, Mobiquity Inc. USA and Hexaware Technologies Limited, India became the Company’s immediate holding company, intermediate holding company and ultimate holding company respectively. These standalone financial statements has been prepared as if it is a continuation of the erstwhile Mobiquity BV.

2 Material Accounting Policies

2.1 Basis of preparation and presentations

The Special Purpose Standalone Financial Statements ('Financial statements') are prepared solely for inclusion in Consolidated financial statement of Hexaware Technologies Limited ('Holding Company').

The financial statements comply in all material aspects with respect to recognition and measurement requirements of ultimate Holding company's accounting policies. Ultimate Holding company's accounting policies are in accordance with 'Indian Accounting standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. These financial statements do not include all required notes and disclosures as required under Ind AS,accordingly these financial statements cannot be construed as in compliance with Ind AS to that extent.

The Company prepares its financial statements for their local reporting in accordance with generally accepted accounting principles in United States ('US GAAP') set by the Financial Accounting Standards Board ('FASB') (referred to as "US GAAP financial statements"). The management of the Company has compiled the Special Purpose Standalone Financial Statements using the US GAAP Financial Statements and after incorporating required adjustments for GAAP differences between US GAAP and Ind AS applicable to the Company. The Company will continue reporting under applicable US GAAP for their local reporting.

These financial statements are prepared on historical cost basis, except for certain financial instruments which are measured at fair values as explained in the accounting policies below.

These financial statements have been prepared in United State Dollars (USD) which is the functional currency of the Company.

All assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

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2.2 Critical accounting judgements and key source of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expense, assets and liabilities and disclosures relating to contingent liabilities on the date of the financial statements. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the period in which the estimate is revised and in any future period affected.

Key source of estimation uncertainty which may cause material adjustments:

(i) Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts expended to date as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Revenue from related parties on account of resource sharing : Revenue is billed to related parties after adding of a mark up percentage over cost incurred by the Company. The mark up is as per transfer pricing regulations applicable to the Company which suitably demonstrates the arm's length price.

(ii) Income-tax

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax asset on unrecognised tax benefits. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

(iii) Others

Others areas involving estimates relates useful lives of Property, Plant and Equipment.

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2.3 Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the company expects to receive in exchange for those products or services.

In case of contract on time and material basis, transaction-based or volume-based contracts, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognized using percentage of completion method. The company uses the efforts expended to date as a proportion to the total efforts to be expended as a basis to measure the degree of completion. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated. Amount received or billed in advance of services performed are recorded as Contract liability. Contract assets represents revenue recognized based on services performed in advance of billing in accordance with contract terms.

Revenues related to fixed-price maintenance, testing and business process services are recognized based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognized as the service is performed using the percentage of completion method.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

2.4 Leases - Ind AS 116

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use asset is determined on the same basis as those of property, plant and equipment. Right-of-use asset are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

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The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an rent expense on a straight-line basis over the lease term.

2.5 Functional and presentation currency

Foreign currency

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rate prevailing on the date of the Balance Sheet. The resulting exchange difference on such restatement and settlement is recognized in the profit or loss, except exchange differences on transactions entered into in order to hedge certain foreign currency risk.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date of Balance Sheet. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. Items in the statement of profit or loss have been translated using average exchange rates. Translation adjustments have been reported as foreign currency translation reserve in Other comprehensive income.

2.6 Borrowing Cost

Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss.

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SUO INDIA LLP

2.7 Employee Benefits

a) **Post-employment benefits and other long term benefit plan**
Payments to defined contribution retirement schemes are recognised as an expense when the employees have rendered service entitling them to such benefits.

b) **Short term employee benefit**
The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period when the employee renders those services. These benefits include compensated absences such as leave expected to be availed within a year, statutory employee profit sharing and bonus payable.

2.8 Share based compensation

Equity settled share based payments to employees and directors are measured at the fair value of the equity instruments at the grant date which is recognised over the vesting period based on periodic estimate of the equity instruments that will eventually vest, with the corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest with impact of revision recognised in the profit or loss such that the cumulative expense reflects the revised estimates, with a corresponding adjustment to share option outstanding account.

Employees of the Company are granted share based payments of the Ultimate Holding company. The Ultimate Holding Company makes recharge for these share based payment to the Company during the vesting period. The Ultimate Holding Company determines the amount for recharge for the period based on total cost expected over the entire life, spread proportionately over vesting period. The recharge during the period by the Ultimate Holding company are recognised as employees expenses.

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2.9 Taxes on Income

Income tax expense comprises of current tax and deferred tax. Current and deferred tax are recognised in net income, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax is measured at the amount expected to be paid or recovered from tax authorities using enacted or substantively enacted tax rates.

Deferred taxes are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profits, except when the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profit at the time of the transaction.

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

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

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Advance taxes and provisions for current income taxes as well as deferred tax assets and liabilities are presented in the Balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the entity intends to settle the asset and liability on a net basis.

2.10 Property, plant and equipment (PPE)

PPE are stated at cost of acquisition less accumulated depreciation and impairment loss, if any.

Depreciation

Depreciation is provided on straight-line method based on the estimated useful lives of the assets as determined based on the expert technical advice / stipulation of Schedule II of the Companies Act 2013:

Asset Class	Estimated useful Life
IT Equipments	3 years
Office Equipment	3-5 years
Furniture and Fixtures	3-5 years

Leasehold improvements and leasehold equipments are amortised over the lease period or useful life of an asset whichever is less.

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

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2.11 Impairment

a) Financial assets (other than at fair value)

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired under Ind AS 109.

"Financial Instrument" requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses. if the credit risk on the financial asset has increased significantly since initial recognition.

b) Non-financial assets

At the end of each reporting period, the Company assesses whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs or allocated. Impairment loss is charged to the profit or loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.12 Provisions and contingent liabilities

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the Company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

Onerous Contracts

A contract is considered as onerous when the expected economic benefits to be derived by the company from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

2.13 Non derivative financial instruments

Financial assets and liabilities are recognised when Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from fair value measured on initial recognition of financial asset or financial liability.

a) Financial assets and financial liabilities – subsequent measurement

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held with a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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(ii) **Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held with a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) **Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

(iv) **Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(v) **Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(vi) **Derecognition of financial assets**

A financial asset is derecognised only when

a) the rights to receive cash flows from the financial asset is transferred or expired

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognised only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the financial asset is neither transferred, nor the entity retains substantially all risks and rewards of ownership of the financial asset, then in that case financial asset is derecognized only if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

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(vii) **Financial liabilities**

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

(viii) **Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(ix) **Embedded derivatives**

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cashflows are solely payment of principal and interest.

Derivatives embedded in all other host contracts are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risk of the host and are measured at fair value through profit or loss. Embedded derivative closely related to host contracts are not separated.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

x) **Derivative financial Instruments**

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(xi) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where 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 assets and settle liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

b) Share capital

Equity shares

Incremental costs directly attributable to the issue or re-purchase of equity shares, net of any tax effects, are recognised as a deduction from equity.

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2.14 Fair value measurement

The Company measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or

► In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

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

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

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

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

2.15 Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

2.16 Earnings per share ('EPS')

1 Basic EPS are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2 The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.17 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended December 31,2024 MCA has notified Ind AS 117 – Insurance Contracts applicable to the Company w.e.f. January 1, 2025. The Company has reviewed the new standard and based on its evaluation has determined that it does not have any significant impact in its financial information.

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3 PROPERTY, PLANT AND EQUIPMENT

Particulars	Computer	Furniture and Fixtures	Office Equipment	Leasehold Improvements	Total
Gross block					
As at January 1, 2024	**1,589,586**	**115,238**	**560,259**	**2,071,448**	**4,336,531**
Additions	79,797	-	19,408	35,123	134,328
Disposals	(118,736)	(521)	(18,470)	-	(137,727)
As at December 31, 2024	**1,550,647**	**114,717**	**561,197**	**2,106,571**	**4,333,132**
As at January 1, 2023	**1,491,244**	**121,221**	**518,459**	**2,051,168**	**4,182,092**
Additions	165,032	650	60,869	20,280	246,831
Disposals	(66,690)	(6,633)	(19,069)	-	(92,392)
As at December 31, 2023	**1,589,586**	**115,238**	**560,259**	**2,071,448**	**4,336,531**
Accumulated Depreciation					
As at January 1, 2024	**1,349,809**	**110,540**	**468,191**	**660,933**	**2,589,473**
Charge for the year	167,215	2,969	71,653	236,535	478,372
Disposals	(109,935)	(521)	(16,407)	-	(126,863)
As at December 31, 2024	**1,407,089**	**112,988**	**523,437**	**897,468**	**2,940,982**
As at January 1, 2023	**1,196,917**	**102,564**	**397,344**	**408,090**	**2,104,915**
Charge for the year	218,846	14,609	86,171	252,843	572,469
Disposals	(65,954)	(6,633)	(15,324)	-	(87,911)
As at December 31, 2023	**1,349,809**	**110,540**	**468,191**	**660,933**	**2,589,473**
Net carrying amount					
As at December 31, 2024	**143,558**	**1,729**	**37,760**	**1,209,103**	**1,392,150**
As at December 31, 2023	**239,777**	**4,698**	**92,068**	**1,410,515**	**1,747,058**

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4 RIGHT OF USE ASSETS

Particulars	Vehicles	Office premises	Total
Carrying amount as at January 1, 2024	**280,630**	**5,850,779**	**6,131,409**
Add: Additions during the year	41,159	128,869	170,028
Less: Termination of lease	(23,331)	(1,512,576)	(1,535,907)
Less: Depreciation for the year	(182,458)	(741,494)	(923,952)
Carrying amount as at December 31, 2024	**116,000**	**3,725,578**	**3,841,578**
Carrying amount as at January 1, 2023	**480,452**	**4,468,287**	**4,948,739**
Add: Additions during the year	24,254	2,249,745	2,273,999
Less: Derecognition due to sub-lease during the year	-	(107,702)	(107,702)
Less: Depreciation for the year	(224,076)	(829,224)	(1,053,300)
Less: Depreciation of Derecognition due to sub-lease during the year	-	69,673	69,673
Carrying amount as at December 31, 2023	**280,630**	**5,850,779**	**6,131,409**

5 TRADE RECEIVABLES (UNSECURED) `

Particulars	As at December 31, 2024	As at December 31, 2023
Considered good*	6,366,108	8,715,807
Credit impaired	21,595	317,382
	6,387,703	**9,033,189**
Less: Allowance for expected credit losses	(21,595)	(317,382)
Total	**6,366,108**	**8,715,807**

*** Includes Receivable from related parties (Refer Note27c)** 2,032,819 2,124,128

6 CASH AND CASH EQUIVALENTS

Particulars	As at December 31, 2024	As at December 31, 2023
Balances with banks		
On current accounts	818,658	2,160,570
Total	**818,658**	**2,160,570**

7 OTHER FINANCIAL ASSETS

Particulars	As at December 31, 2024		As at December 31, 2023	
	Non-current	Current	Non-current	Current
Unsecured				
Financial assets at amortised cost :				
Considered good:				
Deposits	220,032	89,379	309,411	-
Receivables from employees	-	6,063	-	-
Lease Receivable	-	-	473,376	162,693
Other receivable	-	106,759	-	207,001
Total	**220,032**	**202,201**	**782,787**	**369,694**

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8 DEFERRED TAXES & INCOME TAXES
Deferred Tax Asset /(Liability)

8a

Particulars	**As at December 31, 2024**	**As at December 31, 2023**
Opening Deferred Tax Asset	2,889,445	2,445,011
(Reversal) / Additional deferred tax asset created during the year	(670,615)	1,053,554
Total	**2,218,830**	**2,889,445**

8b

Income tax expense charged to the statement of profit or loss	**For the year ended December 31, 2024**	**For the year ended December 31, 2023**
- Deferred tax charge / (income)	670,615	(1,053,554)
- Current Tax	(269,366)	-
Income tax expense reported in the statement of profit or loss	**401,249**	**(1,053,554)**

9 OTHER ASSETS (NON-FINANCIAL)

Particulars	**As at December 31, 2024**		**As at December 31, 2023**	
	Non-current	**Current**	**Non-current**	**Current**
Prepaid Expenses	-	292,665	-	575,357
Total	**-**	**292,665**	**-**	**575,357**

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MOBIQUITY B.V.
NOTES FORMING PART OF SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Euro, unless otherwise stated)

10 EQUITY SHARE CAPITAL

Particulars	As at December 31, 2024	As at December 31, 2023
Issued, Subscribed and paid up		
360 equity shares with a nominal value of EURO 50 per share	18,000	18,000
Total	**18,000**	**18,000**

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at December 31, 2024		As at December 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Outstanding as on January 1, 2024	360	18,000	360	18,000
Add / (Less): Change during the year	-	-	-	-
Outstanding as on December 31, 2024	**360**	**18,000**	**360**	**18,000**

(b) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at December 31, 2024		As at December 31, 2023	
Name of the shareholder	No. of shares	% of holding	No. of shares	% of holding
Mobiquity Cooperatief UA, Netherlands(Holding Company)	360	100%	360	100%

11 OTHER EQUITY

Particulars	As at December 31, 2024	As at December 31, 2023
Retained earnings	(3,654,770)	(4,336,583)
Total	**(3,654,770)**	**(4,336,583)**

a) Retained earnings

Particulars	As at December 31, 2024	As at December 31, 2023
Balance at the beginning of the year	**(4,336,583)**	**(1,873,130)**
Add : Net Loss for the year	681,813	(2,463,453)
Balance at the end of the year	**(3,654,770)**	**(4,336,583)**

12 LEASE LIABILITIES

Particulars	As at December 31, 2024		As at December 31, 2023	
	Non-current	Current	Non-current	Current
Lease liabilities	3,283,160	805,699	4,568,326	2,327,475
Total	**3,283,160**	**805,699**	**4,568,326**	**2,327,475**

(a) Movement of lease liabilities

Particulars	Vehicles	Office premises	Total
As at January 1, 2024	**473,405**	**6,422,396**	**6,895,801**
Add: Additions	41,159	128,869	170,028
Add: Interest expenses	7,055	140,584	147,639
Less: Lease payments	(191,293)	(889,240)	(1,080,533)
Less: Termination impact	(24,636)	(2,019,440)	(2,044,076)
As at December 31, 2024	**305,690**	**3,783,169**	**4,088,859**
As at January 1, 2023	**721,182**	**4,431,035**	5,152,217
Add: Additions	24,254	2,851,921	2,876,175
Add: Interest expenses	4,239	187,332	191,571
Less: Lease payments	(237,326)	(1,047,892)	(1,285,218)
Less: Derecognition	(38,944)	-	(38,944)
As at December 31, 2023	**473,405**	**6,422,396**	**6,895,801**

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13 TRADE PAYABLES

Particulars	As at December 31, 2024	As at December 31, 2023
Trade payables*	5,872,622	10,422,740
Total	**5,872,622**	**10,422,740**

*** includes Payable to related parties (Refer Note 27c)** **4,638,764** **9,318,407**

14 OTHER FINANCIAL LIABILITIES

Particulars	As at December 31, 2024		As at December 31, 2023	
	Non-current	Current	Non-current	Current
Other payables	-	89,994	-	89,612
Accrued employee benefit expenses	-	354,923	-	848,125
Payable to related parties	-	5,627,848	-	6,550,494
Total	**-**	**6,072,765**	**-**	**7,488,231**

15 PROVISIONS

Particulars	As at December 31, 2024		As at December 31, 2023	
	Non-current	Current	Non-current	Current
Provision for leave encashment	-	484,121	-	615,721
Total	**-**	**484,121**	**-**	**615,721**

16 OTHER LIABILITIES (NON-FINANCIAL)

Particulars	As at December 31, 2024		As at December 31, 2023	
	Non-current	Current	Non-current	Current
Statutory dues payable	-	956,423	-	1,286,021
Contract liabilities	-	1,376,051	-	1,604,734
Advance from customer	-	164,705	-	-
Employee stock option compensation cost (Refer note no. 27c)	-	36,636	-	-
Total	**-**	**2,533,815**	**-**	**2,890,755**

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MOBIQUITY B.V.
NOTES FORMING PART OF SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Euro, unless otherwise stated)

17 REVENUE FROM OPERATIONS

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Sale of services	29,138,157	38,900,595
Total	**29,138,157**	**38,900,595**

18 OTHER INCOME

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Foreign exchange gain	3,590	-
Gain arising from sub-lease transaction	-	162,007
Interest income	3,147	17,198
Other miscellaneous income	367	97,167
Total	**7,104**	**276,372**

19 EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Salaries, wages and bonus	14,440,666	17,986,058
Contribution to funds	2,160,365	2,526,747
Severance Pay	437,341	409,774
Staff welfare expenses	311,659	255,624
Employee stock option compensation cost	36,636	-
Total	**17,386,667**	**21,178,203**

20 FINANCE COSTS

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest expense:		
- On lease liability	147,639	191,571
- On interest on loan from related parties	422,163	-
- On others	16,693	-
Total	**586,495**	**191,571**

21 DEPRECIATION EXPENSE

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Depreciation on Property, Plant and Equipment	478,372	572,469
Depreciation on Right of use assets	923,218	1,053,300
Total	**1,401,590**	**1,625,769**

22 IMPAIRMENT LOSS RECOGNISED/(REVERSED) ON FINANCIAL ASSET

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Allowance for expected credit losses	(295,787)	(574,047)
Total	**(295,787)**	**(574,047)**

23 OTHER EXPENSES

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Rent	-	64,410
Service Charges	268,782	285,590
Communication expenses	188,099	120,470
Travelling and conveyance	1,010,463	1,186,213
Legal and professional fees	309,451	720,506
Insurance Charges	22,784	256,066
Marketing and advertising expenditure	89,373	222,928
Staff recruitment expenses	48,538	35,678
Foreign Exchange loss	480,509	52,974
Membership and subscription	2,449	3,305
Miscellaneous expenses	1,351,375	398,454
Total	**3,771,823**	**3,346,594**

**** Miscellaneous expenses includes EURO 968,666 towards lease break fees and EURO 102,426 for loss on termination of the lease.***

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24 EARNING PER SHARE (EPS)

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Profit attributable to equity holders	681,813	(2,463,453)
Weighted average number of Ordinary Shares for basic and diluted EPS	360	360
Basic and Diluted Earnings per share	1,893.93	(6,842.93)

25 LEASES

The Company has taken office premises at certain locations on operating lease. The agreements are executed for a period ranging from 12 months to 123 months.Also, the Company has taken Vehicle on operating lease. The agreements are executed for a period ranging from 24 months to 60 months.The aggregate depreciation expense on right of use assets is included under depreciation and amortisation expense in the

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The weighted average incremental borrowing rate applied to lease liabilities is 3%. p.a.

26 CONTINGENT LIABILITY AND COMMITMENTS

There are no contingent liabilities or commitments as at December 31, 2024.

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27 RELATED PARTY DISCLOSURES

(a) Names of the related parties where control exists and transactions have occurred

Name of Related Party	Nature of Relationship
Hexaware Technologies Limited, India	Ultimate holding company
Hexaware Technologies Inc., USA	Intermediate holding company
Hexaware Technologies UK Limited	Intermediate holding company
Hexaware Technologies South Africa (Pty) Ltd	Intermediate holding company
Hexaware Technologies Saudi LLC (Net)	Intermediate holding company
Mobiquity Inc., USA	Intermediate holding company
Mobiquity Cooperatief UA, Netherlands	Holding company
Mobiquity Consulting B.V., Netherlands	Fellow subsidiary
Mobiquity Softech Private Limited	Fellow subsidiary
Mobiquity Velocity Solutions Inc., USA	Fellow subsidiary

(b) Details of transactions with related party in the ordinary course of business:

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue from operations		
Mobiquity Consulting B.V., Netherlands	26,331	142,740
Hexaware Technologies Limited, India	8,431,600	7,022,700
Hexaware Technologies UK Ltd.	171,552	1,226,928
Expenses for the period		
Mobiquity Inc., USA (Net)	(394,158)	(1,635,212)
Mobiquity Softech Private Limited	(2,514,166)	(250,051)
Mobiquity Consulting B.V., Netherlands (Net)	(417,311)	(1,967,785)
Hexaware Technologies South Africa (Pty) Ltd	(1,675)	-
Hexaware Technologies Saudi LLC (Net)	(308,876)	-
Hexaware Technologies Limited, India	-	(2,891,867)
Hexaware Technologies UK Ltd.	-	(379,003)
Hexaware Technologies Limited Netherlands	-	(31,988)
Loans and advances given		
Mobiquity Consulting B.V., Netherlands	1,134,400	-
Loans and advances recovered		
Mobiquity Consulting B.V., Netherlands	(1,134,400)	
Loan taken		
Mobiquity Inc., USA	(919,475)	-
Loan repaid		
Mobiquity Inc., USA	2,492,507	-
Interest on Loan		
Mobiquity Inc., USA	422,163	-
Share Based payment expenses		
Hexaware Technologies Limited, India	(36,636)	-

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MOBIQUITY B.V.
NOTES FORMING PART OF SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Euro, unless otherwise stated)

c) Outstanding Balances

Particulars	**As at December 31, 2024**	**As at December 31, 2023**
Loans & Advances (Refer Note 14)		
Mobiquity Inc., USA	5,627,848	6,550,494
Trade Payable (Refer Note 13)		
Mobiquity Inc., USA	4,638,764	4,019,608
Mobiquity Consulting B.V., Netherlands	-	650,828
Mobiquity Softech Private Limited	-	4,647,971
Other Payable (Refer Note 16)		
Hexaware Technologies Limited, India	36,636	-
Trade Receivable (Refer Note 5)		
Hexaware Technologies Limited, India	2,032,819	2,124,128

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28 CATEGORIES OF FINANCIAL INSTRUMENTS

Particulars	As at December 31, 2024	As at December 31, 2023
A) Financial assets		
Financial assets measured at amortised cost		
Non-current		
Other financial assets	220,032	782,787
Current		
Trade receivable	6,366,108	8,715,807
Cash and cash equivalents	818,658	2,160,570
Contract assets*	63,190	63,407
Other financial assets	202,201	369,694
Total	**7,670,189**	**12,092,265**

Particulars	As at December 31, 2024	As at December 31, 2023
B) Financial liabilities		
Non-current		
Lease liabilities	3,283,160	4,568,326
Financial liabilities measured at amortised cost		
Current		
Lease liabilities	805,699	2,327,475
Trade payables	5,872,622	10,422,740
Other financial liabilities	6,072,765	7,488,231
Total	**16,034,246**	**24,806,772**

* The Company has satisfied its performance obligations but has not yet issued the invoice. The company has an unconditional right to consideration before it invoices its customers.

Carrying amount of cash and cash equivalents, trade receivable, contract assets, trade payables, other financial assets and liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of financial assets and liabilities subsequently measured at amortised cost is not significant.

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BDO INDIA LLP

29 FINANCIAL RISK MANAGEMENT

The Board of Directors has overall responsibility for determining the type and level of business risks that the Company undertakes to achieve its corporate objectives. The board of directors is accountable for maintaining an effective control environment that reflects established risks appetite and business objectives. The Board of director's policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered, and emerging best practices. The Company's activities expose it to the following risks: market risk, credit risk and liquidity risk.

a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk.

Interest rate risk

The company is not exposed to interest rate risk as the company does not have borrowings and is financed by own capital or capital from parent company.

Foreign currency risk

The Company is not exposed to foreign currency risk as transactions are mainly denominated in EURO, which is its functional currency.

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

(i) Cash and cash equivalents

Credit risk from balances with banks/financial institutions is considered nil, since the counterparty is a reputable bank with high quality external credit rating. Based on assessment carried by the Company, entire receivable under this category is classified as "Stage 1".

(ii) Trade receivables (including contract asset)

The company applies the Ind AS 109 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance (ECL) for Trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The company's trade receivable are having short credit period and historically majority of trade receivables are recovered within short span of time.

Specific provision may be required due to any reasons such as credit deterioration, etc. Trade receivable under specific provision case are assessed individually. Currently, all trade receivables are good and does not required allowance for expected credit loss.

i) The maximum exposure to credit risk is presented in the table below:

Particulars	As at December 31, 2024		
	Gross carrying amount	Allowance for expected credit losses	Amortised cost
Trade receivables	6,387,703	(21,595)	6,366,108
Total	**6,387,703**	**(21,595)**	**6,366,108**

Particulars	As at December 31, 2023		
	Gross carrying amount	Allowance for expected credit losses	Amortised cost
Trade receivables	9,033,189	(317,382)	8,715,807
Total	**9,033,189**	**(317,382)**	**8,715,807**

ii) Ageing Analysis of trade receivables:

Particulars	As at December 31, 2024			
	Not due	Due less than 180 days	Due more than 180 days	Total
Trade receivables	5,011,922	1,314,973	60,808	6,387,703
Less: Allowance for expected credit losses	-	(21,595)	-	(21,595)
Total	**5,011,922**	**1,293,378**	**60,808**	**6,366,108**

Particulars	As at December 31, 2023			
	Not due	Due less than 180 days	Due more than 180 days	Total
Trade receivables	5,103,684	3,378,776	550,729	9,033,189
Less: Allowance for expected credit losses	-	(34,458)	(282,924)	(317,382)
Total	**5,103,684**	**3,344,318**	**267,805**	**8,715,807**

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iii) Set out below is the movement in the allowance for expected credit losses of trade receivables:

Particulars	As at December 31, 2024	As at December 31, 2023
Balance at the beginning of the year	317,382	891,429
Expense/(reversal) for the year	(295,787)	(574,047)
Balance as at the end of the year	**21,595**	**317,382**

(iv) Other financial assets
Other financial assets mainly includes deposits, receivable from group companies etc. Based on assessment carried by the company, entire receivable is under this category is classified as "Stage 1". There is no history of loss and credit risk from other assets. Therefore credit risk from remaining other financial assets is not material and hence considered NIL.

c) Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity 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.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

As at December 31, 2024	Less than 1 Year	1 to 5 years	More than 5 years	Total
Lease liabilities	915,628	3,497,379	-	**4,413,007**
Trade payables	5,872,622	-	-	**5,872,622**
Other financial liabilities	6,072,765	-	-	**6,072,765**

As at December 31, 2023	Less than 1 Year	1 to 5 years	More than 5 years	Total
Lease liabilities	982,370	4,082,317	197,769.00	**5,262,456**
Trade payables	10,422,740	-	-	**10,422,740**
Other financial liabilities	7,488,231	-	-	**7,488,231**

30 CAPITAL MANAGEMENT
The Company's objectives when managing capital is to maintain optimal capital structure to continue to provide for adequate capital in the business, returns for shareholders and benefits for other stakeholders in the form of dividends, return of capital or issue of new shares.

31 Employee Stock Option
The Holding company Hexaware Technologies Limited has granted ESOP to employees of the Company. The said grants allowed eligible employee to opt for one share of Hexaware Technologies Limited for each option held upon vesting which could be time based, performance based or event based. The exercise price for the option is INR 382.5 per share, weighted average estimated fair value is approximately INR 65.87 per option and remaining weighted average life is approximately 72 months.
The Company has recognized EUR 36,636 as estimated cost for such ESOPs granted in the statement of profit and loss during the year ended December 31, 2024. The above cost is arrived based on graded vesting method.

32 GOING CONCERN

The Company has accumulated losses of EURO 3,654,770 as at December 31, 2024 (Dec 31,2023 : EURO 4,336,583) as a result of which its net worth has been fully eroded as at that date. Further, the Company's current liabilities have exceeded its current assets by EURO 8,026,200 as at December 31, 2024 (Dec 31, 2023 EURO : 11,300,996). Also, the Company doesn't have favorable cash inflows from its operations during the current year and the previous year. These conditions indicate that a material uncertainty exists that may cast significant doubt on the ability of the Company to continue as a going concern. However, the Company has currently revised its transfer pricing policy with its Parent Company to a cost plus model which will positively impact the operating cash flows of the Company from year 2024 onwards. Further, the Holding Company has committed to provide necessary support to the Company in order to meet its obligations as they fall due for a period of the next twelve months from the date of approval of the financial statement of the Company for the year ended December 31, 2024. Based on these factors, the management of the Company considers that the Company would have adequate financial resources to continue its operations for the foreseeable future. Accordingly, management considers that the going concern assumption in the preparation of the financial statements of the Company for the period ended December 31, 2024 is appropriate, and hence, the financial statements of the Company have been prepared on a going concern basis

33 RECLASSIFICATION OF PREVIOUS YEAR PRESENTATION
Ceratin previous year amounts have been reclassified for consistency with to confirm to the current year (2024) presentation.

34 MATERIAL EVENTS AFTER BALANCE SHEET DATE
There is no significant event after reporting date which require adjustment or disclosure to the Financial Statements.

35 FINANCIAL STATEMENT APPROVAL
These Financial Statements have been approved and authorised by the Board on 26 February 2025.

As per our report of even date
For BDO India LLP

BDO India LLP

BDO INDIA LLP

Place: Mumbai
Date: 26 February 2025

For and on behalf of the Board
Mobiquity B.V.

R. Srikrishna
Director

Place: New Jersey
Date: 26 February 2025

K.S. BHATIA & ASSOCIATES
CHARTERED ACCOUNTANTS
15th FLOOR, 1504 D WING, RUSTOMJEE SEASONS MIG CHS LTD.
IV GANDHI NAGAR NEAR MMRDA OFFICE, BANDRA – EAST,
MUMBAI – 400051 M: 9322225270; EMAIL ID: ksbandco@yahoo.co.in

Independent Auditor's Report

TO THE MEMBERS OF Hexaware Technologies Saudi LLC

Report on the Audit of Special Purpose Ind AS Financial Statements

We have audited the special purpose Ind AS financial statements of Hexaware Technologies Saudi LLC ("The Company"), which comprise the Balance Sheet as at 31 December 2024, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the special purpose Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December 2024 and its loss (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of Companies Act, 2013 ("the Act") and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 26 in the Notes forming part of Accounts in the financial statements, which indicates that the company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net loss during the current and previous year(s) and, the Company's current liabilities exceeded its current assets as at the balance sheet date.

These events or conditions, along with other matters as set forth in Note 26, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The Management of the Company is of the opinion that due to cost rationalization measures as well support from its Promoters, the preparation of accounts on Going Concern basis will not adversely affect its business.

Our opinion is not modified in respect of this matter.

Management's Responsibility for the Ind AS Financial Statements

The Company's management and board of directors are responsible for the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs.

This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management and board of directors are 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.

Board of directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 SAs 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS 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 entity'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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For K. S. Bhatia & Associates
Chartered Accountants
(Firm's Registration No. 158315W)

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Kaushik S. Bhatia
Proprietor
(Membership No. 046908)
UDIN: 25046908BMLXOK5092

Mumbai, January 30, 2025

Hexaware Technologies Saudi LLC

Registered Office: Office 406-A, Floor 04, Al Olaya Tower, AL Olaya, AL Riyadh, Saudi Arabia

Financial Statements under Indian Accounting Standards (Ind AS) as at December 31, 2024

Hexaware Technologies Saudi LLC

Registered Office: Office 406-A, Floor 04, Al Olaya Tower, AL Olaya, AL Riyadh, Saudi Arabia

(SAR, except share and per share data, unless otherwise stated)

Balance Sheet

	Note No.	As at December 31, 2024	As at December 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	53,519	71,836
Other financial assets	5	83,081	4,505
Total non-current assets		**136,600**	**76,341**
Current assets			
Financial assets:			
Trade receivables	8	11,216,135	10,835,478
Unbilled		5,156,350	4,254,819
Cash and cash equivalents	9	4,110,005	8,357,148
Income tax assets (net)		-	-
Other current assets	7	714,334	386,124
Total current assets		**21,196,824**	**23,833,569**
TOTAL ASSETS		**21,333,424**	**23,909,910**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	500,000	500,000
Other equity		(3,258,062)	(1,809,179)
Total equity		**(2,758,062)**	**(1,309,179)**
Current liabilities			
Financial liabilities			
Trade payables			
Dues of other than micro enterprises and small enterprises	12	22,548,929	23,883,347
Other financial liabilities		469,209	193,606
Other current liabilities	13	808,348	1,074,136
Income tax liabilities (net)		265,000	68,000
Total current liabilities		**24,091,486**	**25,219,089**
Total liabilities		**24,091,486**	**25,219,089**
TOTAL EQUITY AND LIABILITIES		**21,333,424**	**23,909,910**

The accompanying notes 1 to 27 form an integral part of the financial statements.

As per our report of even date attached

For K. S. Bhatia & Associates

Chartered Accountants

(FRN No. 156315W)

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Kaushik Bhatia

Proprietor

[Mem No; 046908]

Place: Mumbai

Date: January 29, 2025

For and on behalf of the Board

Raghad Saud N Alshalbani

Authorised Signatory

Place: Saudi

Date: January 29, 2025

Hexaware Technologies Saudi LLC

Registered Office: Office 404-A, Floor 04, Al Olaya Tower, Al. Olaya, Al Riyadh, Saudi Arabia

(SAR, except share and per share data, unless otherwise stated)

Statement of Profit And Loss

	Note No.	For the year ended December 31, 2024	December 31, 2023
INCOME			
Revenue from operations	14	51,244,686	43,676,440
Exchange rate difference (net)		(105,680)	(60,364)
Other income	15	212,630	-
TOTAL INCOME		51,351,636	43,616,076
EXPENSES			
Employee benefits expense	16	5,287,576	3,050,544
Finance costs	18	936	253,182
Depreciation and amortisation expense	4	51,066	26,148
Other expenses	17	47,147,842	41,946,522
TOTAL EXPENSES		52,487,820	45,276,396
PROFIT BEFORE TAX		(1,136,184)	(1,660,320)
Tax expense			
Current tax		312,699	68,955
Total tax expense		312,699	68,955
PROFIT FOR THE YEAR		(1,448,883)	(1,729,275)
TOTAL COMPREHENSIVE INCOME FOR THE YEAAR		(1,448,883)	(1,729,275)
Earnings per equity share - Basic and diluted (SAR)	19		
Basic		(28.98)	(34.59)
Diluted		(28.98)	(34.59)

The accompanying notes 1 to 27 form an integral part of the financial statements.

As per our report of even date attached

For K. S. Bhatia & Associates
Chartered Accountants
(FRN No. 158315W)

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Kaushik Bhatia
Proprietor
(Mem No: 046908)
Place: Mumbai
Date: January 29, 2025

For and on behalf of the Board

Raghad Saad N Alshaibani
Authorised Signatory
Place: Saudi
Date: January 29, 2025

Hexaware Technologies Saudi LLC

Registered Office: Office 406-A, Floor 04, Al Olaya Tower, AL Olaya, AL Riyadh, Saudi Arabia

(SAR, except share and per share data, unless otherwise stated)

Statement of Changes in Equity

	As at December 31, 2024	As at December 31, 2023
A. EQUITY SHARE CAPITAL		
Outstanding at the beginning of the year	500,000	500,000
Outstanding at the beginning of the year	-	-
Outstanding at the end of the year	500,000	500,000

OTHER EQUITY

	Reserves and surplus		Total equity
	General reserve	Retained earnings	
Balance as at January 1, 2024	(1,809,179)	-	(1,809,179)
Profit for the year	(1,448,883)	-	(1,448,883)
Total comprehensive income	(3,258,062)	-	(3,258,062)
Balance as at December 31, 2024	(3,258,062)	-	(3,258,062)
Balance as at January 1, 2023	(79,904)	-	(79,904)
Profit for the year	(1,729,275)	-	(1,729,275)
Total comprehensive income	(1,809,179)	-	(1,809,179)
Balance as at December 31, 2023	(1,809,179)	-	(1,809,179)

Notes

1. Refer to note 10
2. Supplementray information convenience translation (see note 2)

For K. S. Bhatia & Associates

Chartered Accountants

(FRN No. 158315W)

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Kaushik Bhatia

Proprietor

(Mem No: 046908)

Place: Mumbai

Date: January 29, 2025

For and on behalf of the Board

Raghad Saud N Alshalbani

Authorised Signatory

Place: Saudi

Date: January 29, 2025

Hexaware Technologies Saudi LLC

Registered Office: Office 406-A, Floor 04, Al Olaya Tower, AL Olaya, AL Riyadh, Saudi Arabia

(SAR, except share and per share data, unless otherwise stated)

Statement of Cash Flows

	For the year ended	
	December 31, 2024	December 31, 2023
Cash flow from operating activities		
Profit before tax	(1,136,184)	(1,660,320)
Adjustments for:		
Depreciation and amortization expense	-	26,149
Finance costs	-	213,182
Operating profit before working capital changes	(1,136,184)	(1,420,990)
Adjustments for:		
Trade receivables and other assets	(1,670,661)	(299,169)
Trade payables, other liabilities and provisions	(1,127,603)	9,383,449
Cash generated from operations	(3,934,448)	7,663,290
Direct taxes paid (net)	(312,699)	(68,955)
Net cash generated from operating activities	(4,247,147)	7,594,335
Net increase in cash and cash equivalents	(4,247,147)	7,594,335
Cash and cash equivalents at the beginning of the year	8,357,148	762,813
Exchange difference on translation of foreign currency cash and cash equivalents	-	-
Cash and cash equivalents at the end of the year	4,110,001	8,357,148
(Refer to note 9)		

The statement of cash flows has been prepared using the indirect method as set out in Ind AS 7.

The accompanying notes 1 to 27 form an integral part of the financial statements.

As per our report of even date attached

For K. S. Bhatia & Associates
Chartered Accountants
(FRN No. 158315W)

KAUSHIK SHANTIKUMAR BHATIA

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street=Mumbai,
pseudonym=d06696da467e8305797ee04086750ce5,
serialNumber=7d4f65d05220a3b38388da44e5e55df705ce49e913fac897d729f162e1a65045, o=Personal,
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Kaushik Bhatia
Proprietor
(Mem No: 046908)

Place: Mumbai
Date: January 29, 2025

For and on behalf of the Board

Raghad Saud N Alshaibani
Authorised Signatory

Place: Saudi
Date: January 29, 2025

Hexaware Technologies Saudi LLC

(SAR, except share and per share data, unless otherwise stated)

Notes forming part of the Financial Statements

1 Company overview

Hexaware Technologies Saudi LLC is a subsidiary of Hexaware Technologies Ltd, India. The Financial statements have been prepared and audited for the purpose of consolidation with the holding Company.The Company is engaged in information technology consulting, software development and business process management. Hexaware provides multiple service offerings to its clients across various industries comprising travel, transportation, hospitality, logistics, banking, financial services, insurance, healthcare, manufacturing, consumer and services. The various service offerings comprise application development and management, enterprise package solutions, infrastructure management, business intelligence and analytics, business process, digital assurance and testing.

2 Significant accounting policies

2.1 Statement of compliance

The financial statements comply in all material aspects with Indian Accounting standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

2.2 Basis of preparation

These financial statements are prepared on historical cost basis, except for certain financial instruments which are measured at fair values as explained in the accounting policies below.

These financial statements have been prepared in SAR which is the functional currency of the Company

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

Previous year figures have been re-Companyed/re-classified wherever necessary to correspond with the current years classification/disclosures.

2.3 Critical accounting judgements and key source of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expense, assets and liabilities and disclosures relating to contingent liabilities on the date of the financial statements. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the period in which the estimate is revised and in any future period affected.

Key source of estimation uncertainty which may cause material adjustments:

2.3.1 Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts expended to date, as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion, as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Cost to fulfill contract are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.3.2 Income-tax

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax on unrecognised tax benefits. Tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.3.3 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the company is reasonably certain not to exercise that option. In assessing whether the company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.3.4 Others

Other areas involving estimates relates to actuarial assumptions used to determine the carrying amount of defined benefit obligation, estimation of fair value of share based payment transactions and useful lives of Property Plant and Equipment.

2 Significant Accounting Policies *(Continued)*

2.4 Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

In case of a contract on time and material basis, transaction-based or volume-based contracts, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognized using percentage of completion method. The Company uses the efforts expended to date as a proportion to the total efforts to be expended as a basis to measure the degree of completion. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated.

Revenues related to fixed-price maintenance, testing and business process services are recognized based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognized as the service is performed using the percentage of completion method.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Revenues in excess of billing are classified as Unbilled receivables while billing in excess of revenues are classified as Contract liabilities (Unearned revenues). Invoicing to the clients for fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled receivables for fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

The Company recognizes an onerous cost provision for the estimated losses in the statement of profit and loss, when the total estimated cost exceeds the revenue in an arrangement based on the current contract estimates.

2.5 Leases

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.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use ("RoU") asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less (short term leases) and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an rent expense on a straight-line basis over the lease term

The RoU assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The RoU assets are depreciated using the straight-line method from the commencement date over the shorter of lease term and useful life of RoU asset. The estimated useful lives of RoU assets are determined on the same basis as those of property, plant and equipment. RoU assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the RoU asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the RoU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

2 Significant Accounting Policies *(Continued)*

2.5 Leases (Continued)

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the RoU asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 to allocate the consideration in the contract.

The Company has made use of the following pratical expedients available while applying Ind AS 116 -

- The Company has applied single discount rate to a portfolio of lease with reasonably similar characteristics.
- The Company has excluded initial direct costs from measurement of RoU assets at the date of transition.
- The Company has used hindsight, in determining the lease term if the contract contains options to extend or terminate the lease.
- The Company has recognized the rent concessions granted by the lessor due to the COVID-19 in the standalone statement of profit and loss and has not considered it as lease modification.

2.6 Functional and presentation currency

Foreign currency

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rate prevailing on the date of the Balance Sheet. The resulting exchange difference on such restatement and settlement is recognized in the profit or loss, except exchange differences on transactions entered into in order to hedge certain foreign currency risk.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date of Balance Sheet. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.7 Borrowing Cost

Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in the profit or loss.

2.8 Employee Benefits

a) Post-employment benefits and other long term benefit plan

Payments to defined contribution retirement schemes are recognised as an expense when the employees have rendered service entitling them to such benefits.

For defined benefit schemes and other long term benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at balance sheet date. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest) is reflected immediately in the balance sheet with a charge or credit recognized in the other comprehensive income in respect of defined benefit schemes and in the statement of profit and loss in respect of other long term benefit plans in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in the profit or loss in the period of plan amendment. The retirement benefit liability recognized in the statement of financial position represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the lower of the amount determined as the defined benefit liability and the present value of available refunds and / or reduction in future contributions to the scheme.

The service cost (including past service cost as well as gains and losses on settlement and curtailments) and net interest expenses or income is recognised as employee benefits expense in the profit or loss.

b) Short term employee benefit

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period when the employee renders those services. These benefits include compensated absences such as leave expected to be availed within a year, statutory employee profit sharing and bonus payable.

2 Significant Accounting Policies *(Continued)*

2.9 Share based compensation

Equity settled share based payments to employees and directors are measured at the fair value of the equity instruments at the grant date which is recognised over the vesting period based on periodic estimate of the equity instruments that will eventually vest, with the corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest with the impact of revision recognised in the profit or loss such that the cumulative expense reflects the revised estimates, with a corresponding adjustment to the share option outstanding account.

2.10 Taxes on Income

Income tax expense comprises of current tax and deferred tax. Current and deferred tax are recognised in net income, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax is measured at the amount expected to be paid or recovered from the domestic and overseas tax authorities using enacted or substantively enacted tax rates after taking credit for tax relief available for export operations in Special Economic Zone (SEZ).

Deferred taxes are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profits, except when the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profit at the time of the transaction.

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

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

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

For operations under tax holiday scheme, deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

2.11 Property, plant and equipment (PPE)

PPE are stated at cost of acquisition less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation

Depreciation is provided on straight-line method based on the estimated useful lives of the assets as determined by the management based on the expert technical advice/ stipulations of Schedule II to the Act.

Asset Class	Estimated useful Life
Buildings	60 years
Computer Systems (included in Plant and Machinery)	3 years
Office Equipment	3-5 years
Electrical Fittings (included in Plant and Machinery)	8 years
Furniture and Fixtures	3-8 years
Vehicles	4 years

Improvement to Leasehold Premises are amortised over the lease period or useful life of an asset whichever is lesser.

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

2.12 Intangible assets and amortisation

Intangible assets with finite useful lives that are acquired are initially recognised at cost in case of separately acquired assets and at fair value in case of acquisition in business combination. Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortisation and impairment loss, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. Following table summarises the nature of intangibles and the estimated useful lives

Asset Class	Estimated useful Life
Software licenses	3 years
Customer contracts / relations	5-7 years

Amortisation method, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An intangible asset is derecognised on disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

2 Significant Accounting Policies *(Continued)*

2.13 Impairment

a) Financial assets (other than at fair value)

The Company assesses at each balance sheet date, whether a financial asset or a group of financial assets is impaired. Ind AS 109, "Financial Instruments" requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables. For all other financial assets except for investments, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. In case of Investments, the Company periodically reviews its carrying value of investments for indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

b) Non-financial assets

Tangible and Intangible assets

At the end of each reporting period, the Company assesses whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs or allocated. Impairment loss is charged to the profit or loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.14 Provisions

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the Company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract is lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

2.15 Non derivative financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

A Financial assets and financial liabilities – subsequent measurement

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

(iv) Investment in subsidiaries

Investment in subsidiaries are carried at cost less impairment, if any.

(v) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(vi) Financial liabilities

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

B Share capital

Equity shares

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

2 Significant Accounting Policies *(Continued)*

2.16 Earnings per share ('EPS')

Basic EPS is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.\

3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As at December 31, 2023, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Hexaware Technologies Saudi LLC

(SAR, except share and per share data, unless otherwise stated)

Notes forming part of the Financial Statements

4 Property, plant and equipment

Property, plant and equipment (PPE) consist of the following:

	Plant and machinery	Furniture and fixtures	Total
Cost as at January 1, 2024	107,109	3,996	111,105
Additions	32,750	-	32,750
Capitalised	-		-
(Disposals)			-
Translation exchange difference	-	-	-
Cost as at December 31, 2024	139,859	3,996	143,855
Accumulated depreciation as at January 1, 2024	38,225	1,045	39,270
Depreciation for the year	50,568	498	51,066
(Disposals)	-	-	-
Translation exchange difference	-	-	-
Accumulated depreciation as at December 31, 2024	88,793	1,543	90,336
Net carrying amount as at December 31, 2024	**51,066**	**2,453**	**53,519**
Cost as at January 1, 2023	-	-	-
Additions	50,010	3,996	54,007
Capitalised	57,099	-	57,099
(Disposals)	-	-	-
Translation exchange difference	-	-	-
Cost as at December 31, 2023	107,109	3,996	111,106
Accumulated depreciation as at January 1, 2023	12,572	550	13,122
Depreciation for the year	25,653	495	26,148
(Disposals)	-	-	-
Translation exchange difference	-	-	-
Accumulated depreciation as at December 31, 2023	38,225	1,045	39,270
Net carrying amount as at December 31, 2023	68,884	2,951	71,836

Note:

1 Plant and machinery includes computer systems.

5 Income taxes

	For the year ended	
	December 31, 2024	December 31, 2023
A Income tax expense is allocated as follows :		
Income tax expense as per the Statement of Profit and Loss	312,699	68,955

B The reconciliation of estimated income tax expense at the Indian statutory income tax rate to the income tax expenses reported in statement of profit and loss is as follows

	For the year ended	
	December 31, 2024	December 31, 2023
(Loss) /Profit for the year	(1,136,184)	(1,660,320)
Expected tax expense at the enacted tax rate of 20%	(261,322)	(415,080)
(Previous year 21%) in Kingdom of Saudi Araba		
Tax effect of adjustments to reconcile expected income tax		
Expenses not deductible- Porivision for Doubtful Debt	565,306	475,332.00
Others	8,715	8,703.00
	312,699	68,955

6 Other financial assets

Other financial assets – Non-current	**As at**	**As at**
	December 31, 2024	**December 31, 2023**
Restricted bank balances	48,015	-
Security deposits for premises and others	35,066	4,505
Total	**83,081**	**4,505**

7 Other assets

Other assets – Current	**As at**	**As at**
	December 31, 2024	**December 31, 2023**
Prepaid expenses	577,037	339,952
Employee advances	137,341	46,172
Contracts assets	-	
Total	**714,378**	**386,124**

8 Trade receivables

A Trade Receivables - Billed - Current (Unsecured)

	As at December 31, 2024	As at December 31, 2023
Considered good	11,216,135	10,835,478
Considered doubtful	7,623,389	2,121,864
	18,839,524	**12,957,342**
Less: Allowance for doubtful debts	(7,623,389)	(2,121,864)
Total	**11,216,135**	**10,835,478**

B Trade receivables ageing

Ageing for trade receivables as at December 31, 2024 is as follows:

	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	2,898,671	8,232,523	84,942		-	-	11,216,136
Undisputed trade receivables – credit impaired		3,043,672	4579716				7,623,388
	2,898,671	11,276,195	4,664,658	-	-	-	18,839,524
Less - Allowance for Doubtful trade receivable							(7,623,388)
							11,216,136
Unbilled receivables							5,156,310
							16,372,445

Ageing for trade receivables as at December 31, 2023 is as follows:

	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	2,882,549	7,952,929	-	-	-	-	**10,835,478**
Undisputed trade receivables – credit impaired			1,601,728	520136	-	-	**2,121,864**
	2,882,549	7,952,929	1,601,728	520,136	-	-	12957342
Less - Allowance for Doubtful trade receivable							-2121864
							10,835,477
Unbilled receivables							4,254,819
							15,090,296

9 Cash and bank balances

Cash and cash equivalents	As at December 31, 2024	As at December 31, 2023
In current accounts with banks	4,110,001	8,357,148
Total	**4,110,001**	**8,357,148**

Hexaware Technologies Saudi LLC

(SAR, except share and per share data, unless otherwise stated)

Notes forming part of the Financial Statements

10 Equity

		As at December 31, 2024	As at December 31, 2023
10.1	**Authorised capital**		
	50,000 equity shares of SAR 10 each	500,000	500,000

		As at December 31, 2024	As at December 31, 2023
10.2	**Issued, subscribed and fully paid-up capital**		
	Equity shares of 50,000 of SAR 10 each	500,000	500,000

10.3 There is no movement in the share capital during the year ended December 31,2024

10.4 Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of SAR 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

10.5 Details of shares held by promoters

Name of the shareholder		As at December 31, 2024	As at December 31, 2023
Hexaware Technologies Ltd. (Holding Company)	No. of shares held	45,000	45,000
	% of holding	90%	90%
Hexaware Technologies Asia Pacific Pte Ltd (Wholly owned Subsidiary)	No. of shares held	5,000	5,000
	% of holding	10%	10%

10.6 Details of sharesholder holding more than 5%

Name of the shareholder		As at December 31, 2024	As at December 31, 2023
Hexaware Technologies Ltd. (Holding Company)	No. of shares held	45,000	45,000
	% of holding	90%	90%
HT Global IT Solutions Holdings Ltd.	No. of shares held	5,000	5,000
	% of holding	10%	10%

Hexaware Technologies Saudi LLC

(SAR, except share and per share data, unless otherwise stated)

Notes forming part of the Financial Statements

11 Other financial liabilities

	As at December 31, 2024	As at December 31, 2023
Employee liabilities	469,209	193,606
Total	**469,209**	**193,606**

12 Trade payables

	As at December 31, 2024	As at December 31, 2023
Dues of other than micro enterprises and small enterprises		
Trade payables	22,349,870	20,657,543
Accrued expenses	199,059	3,225,804
Total	**22,548,929**	**23,883,347**

A Trade payable ageing

Ageing for trade payables outstanding as at December 31, 2024 is as follows:

	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables							
Others	2,095,179	20,254,691					22,349,870
	2,095,179	20,254,691	-	-	-	-	22,349,870
Accrued Expenses							199,059
							22,548,929

Ageing for trade payables outstanding as at December 31, 2023 is as follows:

	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables							
Others	4,924,460	12,609,879	3,123,204				20,657,543
	4,924,460	12,609,879	3,123,204	-	-	-	20,657,543
Accrued Expenses							3,225,804
							23,883,347

13 Other liabilities

	As at December 31, 2024	As at December 31, 2023
Other liabilities - Current		
Unearned Revenue	419,931	561,238
Statutory liabilities	388,417	512,898
Total	**808,348**	**1,074,136**

14 Revenue

Revenue by Nature	December 31, 2024	December 31, 2023
Revenue from contracts with customers	51,244,686	43,676,440
Total	**51,244,686**	**43,676,440**

14.1 Disaggregated revenue with the customers by Geography is as under :

	For the year ended	
	December 31, 2024	December 31, 2023
Geography		
APAC	51,244,686	43,676,440
Total	**51,244,686**	**43,676,440**

Notes :

[1] is substantially related to operations in United States of America.

14.2 Disaggregated revenue with the customers by contract type:

	For the year ended	
	December 31, 2024	December 31, 2023
Onshore	45%	49%
Offshore/Nearshore	55%	51%
Total revenue from operations	**100%**	**100%**

14.3 Reconciliation of revenue recognised with the contracted price is as follows:

	December 31, 2024	December 31, 2023
Contracted price	51,599,259	43,983,089
Reductions towards variable consideration components (discounts, rebate)	(354,573)	(306,649)
Revenue recognised	**51,244,686**	**43,676,440**

Notes:

Hexaware Technologies Saudi LLC

(SAR, except share and per share data, unless otherwise stated)

Notes forming part of the Financial Statements

15 Other income

	For the year ended December 31, 2024	For the year ended December 31, 2023
Miscellaneous income	212,630	-
Total	**212,630**	**-**

16 Employee benefits expense

	For the year ended December 31, 2024	For the year ended December 31, 2023
Salary and allowances	4,663,670	2,547,815
Contribution to provident, other funds and benefits	620,750	539,878
Staff welfare expenses	3,556	2,850
Total	**5,287,976**	**3,090,543**

17 Other expenses

	For the year ended December 31, 2024	For the year ended December 31, 2023
Rent	106,534	99,325
Rates and taxes	77,005	154,698
Travelling and conveyance	477,568	219,040
Communication expenses	10,545	2,619
Repairs and maintenance	196,328	396,406
Payment to auditors	65,000	66,000
Legal and professional fees	318,996	224,759
Advertisement and business promotion	611	424
Bank and other charges	22,581	14,033
Insurance charges	11,250	-
Sub contracting and other service charges	40,359,899	38,867,892
Doubtful Debts Provision	5,501,525	1,901,328
Miscellaneous expenses	-	(2)
Total	**47,147,842**	**41,946,522**

18 Finance costs

	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest on lease liabilities	-	-
Others	936	213,182
Total	**936**	**213,182**

Hexaware Technologies Saudi LLC

(SAR, except share and per share data, unless otherwise stated)

Notes forming part of the Financial Statements

19 Earnings per share (EPS)

	For the year ended	
	December 31, 2024	**December 31, 2023**
The components of basic and diluted EPS:		
Net profit after tax	(1,448,883)	(1,729,275)
Weighted average outstanding equity shares considered for basic EPS	50,000	50,000
Basic earnings per share	(28.98)	(34.59)

20 Related party disclosures

Names of related parties

Ultimate Holding Company and it's subsidiaries

CA Campine Investments (w.e.f. November 11, 2021)
CA Magnum Holdings (w.e.f. November 11, 2021)
Baring Private Equity Asia GP V. LP, Cayman Island (Ultimate holding entity) (control exists) (upto November 10,2021)
The Baring Asia Private Equity Fund V, LP, Cayman Island (upto November 10,2021)
Baring Private Equity Asia V Mauritius Holding (4) Limited, Mauritius (upto November 10,2021)
HT Global IT Solutions Holdings Limited, Mauritius (upto November 10,2021)
HT Global Holdings B.V. (upto November 10,2021)

Holding Company (control exists)

Hexaware Technologies Limited

Fellow Subsidiaries

Hexaware Technologies Asia Pacific Pte Ltd
Mobiquity BV

Nature of transactions	**Name of the Related party and Relationship**	**For the year ended**	
		December 31, 2024	December 31, 2023
Software and consultancy income	Holding Company	1,006,222	-
Software Development expenses -	Holding Company	38,251,247	29,799,180
	Fellow Subsidiary-Mobiquity BV	(1,250,815)	6,824,231
Reimbursement of cost to	Holding Company	123,644	68,807
	Fellow Subsidiary-Hexaware AL Balagh Technologies LLC	12,739	-

Outstanding Balances

Name of the Related party and Relationship		December 31, 2024	December 31, 2023
Trade payable (Including accrual)	Holding Company	21,566,283	20,466,145
	Fellow Subsidiary-Mobiquity BV	-	2,835,245.00
Trade Receivable (Including accrual)	Holding Company	1,006,222	-

21 Financial instruments

21.1 The carrying value / fair value of financial instruments by categories as at December 31, 2024 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	4,110,001	-	-	-	4,110,001
Trade receivables	11,216,135	-	-	-	11,216,135
Unbilled receivables	5,156,310	-	-	-	5,156,310
Other financial assets	35,066	-	-	48,015	83,081
Total	**20,517,512**	**-**	**-**	**48,015**	**20,565,527**
Trade payables	22,548,929	-	-	-	22,548,929
Total	**23,018,138**	**-**	**-**	**-**	**23,018,138**

(ii) The carrying value / fair value of financial instruments (other than investment in associate) by categories as at December 31, 2023 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	8,357,148	-	-	-	8,357,148
Trade receivables	10,835,478	-	-	-	10,835,478
Unbilled receivables	4,254,819	-	-	-	4,254,819
Other financial assets	4,505	-	-	-	4,505
Total	**23,451,950**	**-**	**-**	**-**	**23,451,950**
Trade payables	23,883,347	-	-	-	23,883,347
Lease liabilities	-	-	-	-	-
Total	**24,076,953**	**-**	**-**	**-**	**24,076,953**

The tables below provide details of the contractual maturities of significant financial liabilities as at:

<u>As at December 31, 2024</u>

	Less than 1 year	1-5 years	Total
Trade payables	22,548,929	-	22,548,929
Total	22,548,929	-	22,548,929

<u>As at December 31, 2023</u>

	Less than 1 year	1-5 years	Total
Trade payables	23,883,347	-	23,883,347
Lease liabilities	-		-
Total	23,883,347	-	23,883,347

Notes

1 Carrying amount of cash and cash equivalents, other bank balances, trade receivables, unbilled revenue, loans, other financial assets, borrowings, deferred consideration, trade payables, lease liabilities and other financial liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant in each of the period presented.

21 Financial Instruments (Cont'd)

21.2 Financial risk management

The Company has identified the risks under verticals like client concentration risk, credit risk, foreign currency fluctuation risk and liquidity risk. The Company has formulated policies, procedures and strategies for managing risks which is affirmed by management, after consultation with all business units, functions and department heads.

(i) Client concentration risk

The Company is able to maintain a diversified high quality client roster that can be accessed through the depth of relationships with existing clients.

The Company's growth strategy involves a mix of new client addition and mining the accounts of existing clients. As we add more clients and grow our revenues from the existing clients, we naturally reduce our dependence on the large clients. Moreover, large clients allow quick scaling up of revenues and they come with much higher margins due to lower associated cost and higher cost predictability.

(ii) Credit risk

Since most of our transactions are done on credit, we are exposed to credit risk on accounts receivable. Any delay, default or inability on the part of the client to pay on time will expose us to credit risk and can impact our profitability. Our maximum credit exposure is in respect of trade receivables of SAR 19,152,349 and SAR 12,957,342 as at December 31, 2024 and December 31, 2023 respectively.

The Company adopted an effective receivable management system to control the Days' Sales Outstanding (DSO). Refer Note No 8 for the age wise analysis of trade receivables that are not due as well as past due and allowance for the doubtful receivables

Cash and cash equivalents include current account balances with banks.

(iii) Foreign Currency fluctuations Risk

The following table analyses foreign currency risk from financial instruments as at December 31, 2024:

	USD	EUR
Net financial assets	8,012,709	
Net financial liabilities	91,763	
Net assets/(liabilities)	7,920,946	-

The following table analyses foreign currency risk from financial instruments as at December 31, 2023:

	USD	EUR
Net financial assets	7,999,696	-
Net financial liabilities	100,943	2,830,630
Net assets/(liabilities)	7,898,753	(2,830,630)

10% depreciation/appreciation of the respective foreign currencies with respect to functional currency of the Company and its subsidiaries would result in the increase/ decrease in Company's profit before tax approximately by SAR 792,095 and SAR 506,812 for the year ended December 31, 2024, December 31, 2023 respectively.

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

Hexaware Technologies Saudi LLC

(SAR, except share and per share data, unless otherwise stated)

Notes forming part of the Financial Statements

22 **Segments**

There is only one reportable business segment viz software consultancy, the results of which are disclosed in the financial statements.

23 **Employee benefits:**

The Company recognized SAR 620,750 (Previous Year SAR 539,878) for General Organisation for Social Insurance contribution (GOSI) and End of Service benefit (EOSB) in the statement of Profit and Loss. The Contributions payable to these plans by the Company are at the rates specified in the rules of the schemes and the Company has no further obligations under such schemes.

24 **Material events after Balance Sheet date**

There is no significant event after reporting date which requires amendments or disclosure to the financial statements.

25 The Information with regard to other matters specified in Schedule III to the Companies Act,2013, is either nil or not applicable to the Company for the year. The disclosures required by the amendment to Schedule III of the Companies Act.2013 as per Ministry of Company Affairs Notification dated 24th March 2021 have been made to the extent they are applicable to the Company.

26 The accounts are prepared on going concern basis on account of losses incurred and the entire net worth of the Company has got eroded as at 31st December, 2024. The Management is confident of good business considering long term outlook and cost rationalisation initiatives implemented, in addition to the support from the Promoters of the Company. The Management is of the opinion that the Going Concern nature of the business is not adversely affected. Hence the financial statements are prepared on a Going Concern Basis.

27 Figures of Previous years are regrouped and reclassified wherever necessary

Hexaware Technologies UK Limited

Registered Office: Level 32, One Canada Square, London -E14 5AB

(GBP, unless otherwise stated)
Balance Sheet

	Note No.	As at December 31, 2024	As at December 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	263,183	298,633
Capital work-in-progress		209,127	-
Right-of-use assets	4A	2,290,592	673,823
Financial assets:			
Investments	6	133,515	133,515
Other financial assets	8A	56,460	238,592
Other non-current assets	9A	1,851,667	222,524
Deferred tax assets (net)	7C	26,678	-
Total non-current assets		**4,831,222**	**1,567,087**
Current assets			
Financial assets:			
Trade receivables			
Billed	10	15,832,901	18,159,001
Unbilled		6,552,301	3,818,190
Cash and cash equivalents	11	27,821,026	28,222,020
Other financial assets	8B	5,541,266	5,534,375
Other current assets	9B	5,280,985	1,650,532
Total current assets		**61,028,479**	**57,384,118**
TOTAL ASSETS		**65,859,701**	**58,951,205**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	2,167,000	2,167,000
Other equity		21,515,983	16,410,748
Total equity		**23,682,983**	**18,577,748**
Non-current liabilities			
Financial liabilities:			
Lease liabilities	4B	2,126,747	365,440
Total non-current liabilities		**2,126,747**	**365,440**
Current liabilities			
Financial liabilities:			
Lease liabilities	4B	225,362	322,660
Trade payables			
Dues of micro enterprises and small enterprises		-	-
Dues of other than micro enterprises and small enterprises	14	22,999,904	18,939,004
Other financial liabilities	13	8,578,941	8,464,236
Other current liabilities	15	5,456,536	8,322,437
Provisions			
Employee benefit obligations in respect of compensated absences	16	2,206,730	2,399,502
Deferred tax liability (net)	7C	-	74,658
Income tax liabilities (net)		582,498	1,485,520
Total current liabilities		**40,049,971**	**40,008,017**
Total liabilities		**42,176,718**	**40,373,457**
TOTAL EQUITY AND LIABILITIES		**65,859,701**	**58,951,205**

The accompanying notes 1 to 27 form an integral part of the financial statements.

As per our report of even date attached

For and on behalf of the Board

Parameshwaran Iyer

Parameshwaran Iyer
Director

Place: United Kingdom
Date: March 4, 2025

Hexaware Technologies UK Limited

Registered Office: Level 32, One Canada Square, London -E14 5AB

(GBP, unless otherwise stated)

Statement of Profit And Loss

	Note No.	For the year ended December 31, 2024	December 31, 2023
INCOME			
Revenue from operations	17	140,364,731	147,955,723
Other income	18	675,864	308,054
TOTAL INCOME		**141,040,595**	**148,263,777**
EXPENSES			
Employee benefits expense	19	45,351,647	45,566,270
Finance costs	21	89,039	34,128
Depreciation and amortisation expense	22	596,609	422,968
Other expenses	20	87,888,979	96,001,721
TOTAL EXPENSES		**133,926,274**	**142,025,087**
PROFIT BEFORE TAX		**7,114,321**	**6,238,690**
Tax expense			
Current tax	7A	2,110,422	1,743,273
Deferred tax charge / (credit)	7A	(101,336)	74,658
Total tax expense		**2,009,086**	**1,817,931**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**5,105,235**	**4,420,759**
Earnings per equity share:- Basic and diluted (GBP)	23		
Basic and diluted		2.36	2.04

The accompanying notes 1 to 27 form an integral part of the financial statements.

As per our report of even date attached

For and on behalf of the Board

Parameshwaran Iyer

Parameshwaran Iyer

Director

Place: United Kingdom

Date: March 4, 2025

Hexaware Technologies UK Limited

Registered Office: Level 32, One Canada Square, London -E14 5AB

(GBP, unless otherwise stated)

Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

Balance as at January 01, 2024	Changes in equity share capital during the year	Balance as at December 31, 2024
2,167,000	**-**	**2,167,000**

Balance as at January 01, 2023	Changes in equity share capital during the year	Balance as at December 31, 2023
2,167,000	**-**	**2,167,000**

B. OTHER EQUITY

	Reserves and surplus		Total equity
	Foreign Currency translation reserve	Retained earnings	
Balance as at January 01, 2024	(428)	16,411,176	16,410,748
Profit for the year	-	5,105,235	5,105,235
Other comprehensive income (net of tax)	-	-	-
Balance as at December 31, 2024	**(428)**	**21,516,411**	**21,515,983**
Balance as at January 01, 2023	(428)	11,990,417	11,989,989
Profit for the year	-	4,420,759	4,420,759
Other comprehensive income (net of tax)	-	-	-
Balance as at December 31, 2023	**(428)**	**16,411,176**	**16,410,748**

Retained earnings

Retained earnings comprise of the accumulated undistributed earnings.

The accompanying notes 1 to 27 form an integral part of the financial statements.

As per our report of even date attached

For and on behalf of the Board

Parameshwaran Iyer

Parameshwaran Iyer

Director

Place: United Kingdom

Date: March 4, 2025

Hexaware Technologies UK Limited

Registered Office: Level 32, One Canada Square, London -E14 5AB

(GBP, unless otherwise stated)

Statement of Cash Flows

	For the year ended	
	December 31, 2024	**December 31, 2023**
Cash flow from operating activities		
Profit before tax	**7,114,321**	**6,238,690**
Adjustments for:		
Depreciation and amortisation expense	596,609	422,968
Interest income	(968,811)	(821,798)
Life time expected credit loss	70,215	3,055,718
Profit on sale of property, plant and equipment (PPE) (net)	(1,247)	(623)
Loss on sale of property, plant and equipment (PPE) (net)	1,710	-
Provision for impairment in the value of investment	-	(25,293)
Investment write off	-	19,514
Exchange rate difference (net) - unrealised	(51,606)	(165,921)
Finance costs	89,039	34,128
Operating profit before working capital changes	**6,850,230**	**8,757,383**
Adjustments for:		
Trade receivables and other assets	(5,562,581)	7,584,600
Trade payables, other liabilities and provisions	103,400	(13,112,925)
Cash generated from operations	**1,391,049**	**3,229,058**
Direct taxes paid (net)	(2,000,367)	(1,039,292)
Net cash (used in)/ generated from operating activities	**(609,318)**	**2,189,766**
Cash flow from investing activities		
Purchase of PPE incl CWIP	(399,318)	(109,723)
Proceeds from sale of property, plant and equipment	689	1,349
Payment for stamp duty for lease Property	(25,000)	-
Loan repaid by fellow subsidiary	-	16,000,000
Loan given to fellow subsidiary	-	(8,000,000)
Interest received	968,811	1,150,236
Net cash generated from investing activities	**545,182**	**9,041,862**
Cash flow from financing activities		
Payment of lease liabilities (Refer to note 4B)	(355,939)	(302,093)
Interest paid	(32,525)	(297)
Net cash used in from financing activities	**(388,464)**	**(302,390)**
Net increase/(decrease) in cash and cash equivalents -	**(452,600)**	**10,929,238**
Cash and cash equivalents at the beginning of the year	28,222,020	17,126,861
Exchange difference on translation of foreign currency cash and cash equivalents	51,606	165,921
Cash and cash equivalents at the end of the year (Refer to note 11)	**27,821,026**	**28,222,020**

The statement of cash flows has been prepared using the indirect method as set out in Ind AS 7.

The accompanying notes 1 to 27 form an integral part of the financial statements.

As per our report of even date attached

For and on behalf of the Board

Parameshwaran Iyer

Parameshwaran Iyer

Director

Place: United Kingdom

Date: March 4, 2025

(GBP, unless otherwise stated)
Notes forming part of Financial Statements for the year ended December 31, 2024

1 Company Overview

Hexaware Technologies UK Ltd., (HTUK or the Company), incorporated in England and Wales, is a wholly owned subsidiary of Hexaware Technologies Limited, incorporated in India. (Hexaware or the Holding Company). These financial statements have been prepared and audited for the purpose of consolidation with the holding company. The Company is actively involved in information technology consulting, software development, business process services, data and AI, cloud, Digital IT operations, and enterprise platforms. Hexaware delivers a range of services to clients across diverse industries, including travel, transportation, hospitality, logistics, banking, financial services, insurance, healthcare, manufacturing, retail, consumers, telecom, and utilities. The broad spectrum of service offerings encompasses application development and management, enterprise package solutions, infrastructure management, business intelligence and analytics, business process, digital assurance, testing, Generative AI, and sustainability.

2 Significant Accounting Policies

2.1 Statement of compliance

The financial statements comply in all material aspects with Indian Accounting standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act as amended from time to time.

2.2 Basis of Preparation

These financial statements have been prepared on historical cost basis except for certain financial instruments which is measured at fair value or amortised cost at the end of each reporting period. All assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The accompanying financial statements have been prepared in GBP, the national currency of United Kingdom and the functional currency of the Company.

2.3 Use of estimates and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of financial statements and the reported amounts of income and expenses for the periods presented.

The Company uses the following critical accounting estimates in preparation of its financial statements:

2.3.1 Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts expended to date, as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion, as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Cost to fulfill contract are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.3.2 Income-tax

The major tax jurisdiction for the Company is United Kingdom though the Company also files tax returns in overseas jurisdictions. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax on unrecognised tax benefits. Tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.3.3 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2 Significant Accounting Policies *(Continued)*

2.3.4 Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2.3.5 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.4 Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

In case of a contract on time and material basis, transaction-based or volume-based contracts, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognized using percentage of completion method. The Company uses the efforts expended to date as a proportion to the total efforts to be expended as a basis to measure the degree of completion. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated.

Revenues related to fixed-price maintenance, testing and business process services are recognized based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognized as the service is performed using the percentage of completion method.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Revenues in excess of billing are classified as Unbilled receivables while billing in excess of revenues are classified as Contract liabilities (Unearned revenues). Invoicing to the clients for fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled receivables for fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

The Company recognizes an onerous cost provision for the estimated losses in the statement of profit and loss, when the total estimated cost exceeds the revenue in an arrangement based on the current contract estimates.

2.5 Leases

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.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate standalone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use ("RoU") asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less (short term leases) and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an rent expense on a straight-line basis over the lease term.

The RoU assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The RoU assets are depreciated using the straight-line method from the commencement date over the shorter of lease term and useful life of RoU asset. The estimated useful lives of RoU assets are determined on the same basis as those of property, plant and equipment. RoU assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

2 Significant Accounting Policies *(Continued)*

2.5 Leases (Continued)

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the RoU asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the RoU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

2.6 Functional and presentation currency

Foreign currency

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rate prevailing on the date of the Balance Sheet. The resulting exchange difference on such restatement and settlement is recognized in the profit or loss, except exchange differences on transactions entered into in order to hedge certain foreign currency risk.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date of Balance Sheet. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.7 Borrowing Cost

Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in the profit or loss.

2 Significant Accounting Policies *(Continued)*

2.8 Employee Benefits

a) Post-employment benefits and other long term benefit plan

Payments to defined contribution retirement schemes are recognised as an expense when the employees have rendered service entitling them to such benefits.

b) Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

c) Compensated absences

Compensated absences are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date.

2.9 Taxes on Income

Income tax expense comprises of current tax and deferred tax. Current and deferred tax are recognised in net income, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax is measured at the amount expected to be paid or recovered from the tax authorities using enacted tax rates .

Advance taxes and provisions for current income taxes are presented in the Balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the entity intends to settle the asset and liability on a net basis.

Deferred taxes are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profits, except when the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profit at the time of the transaction.

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

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

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

2 Significant Accounting Policies *(Continued)*

2.10 Property, plant and equipment (PPE)

PPE are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation and impairment loss, if any.

Depreciation

Depreciation is provided on straight-line method based on the estimated useful lives of the assets as determined by the management based on the expert technical advice/ stipulations of Schedule II to the Act.

Asset Class	Estimated useful Life
Computer Systems (included in Plant and Machinery)	3 years
Office Equipment	3-5 years
Electrical Fittings (included in Plant and Machinery)	8 years
Furniture and Fixtures	3-8 years

Improvement to Leasehold Premises are amortised over the lease period or useful life of an asset whichever is lesser.

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

2.11 Impairment

a) Financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset in form of trade receivables and unbilled receivables is impaired. In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivables and unbilled receivables. The provision matrix is based on available external and internal credit risk factors such as credit default, credit rating from credit rating agencies and Company's historically observed default rates over the expected life of trade receivables and unbilled receivables. ECL impairment loss allowance or reversal is recognized during the period as expense or income respectively in the statement of profit and loss. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

In case of Investments, the Company yearly reviews its carrying value of investments for indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

b) Non-financial assets

Tangible and Right-of-use assets

At the end of each reporting year, the Company assesses whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs or allocated. Impairment loss is charged to the profit or loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting year is reversed if there has been a change in the estimate of recoverable amount.

In case of reversal of impairment loss, the increased carrying amount shall not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

2.12 Provisions and contingent liability

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the Company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract is lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2 Significant Accounting Policies *(Continued)*

2.13 Non derivative financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

A Financial assets and financial liabilities

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

(iii) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

(iv) Investment in subsidiaries

Investment in subsidiaries are carried at cost less impairment, if any.

(v) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(vi) Financial liabilities

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

B Derecognition of financial assets and financial liabilities

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

C Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

2.14 Earnings per share ('EPS')

Basic EPS is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.15 Interest income

Interest income is recognised using the effective interest method.

3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended December 31, 2024, MCA has notified Ind AS 117 – Insurance Contracts applicable to the Company w.e.f. January 1, 2025. The Company has reviewed the new standard and based on its evaluation has determined that it does not have any significant impact in its financial statement.

4 Right-of-use assets and lease liabilities

A Right-of-use assets

	Office premises	Total
Cost as at January 01, 2024	1,324,803	1,324,803
Additions	1,988,889	1,988,889
Disposals / Remeasurement	(763,542)	(763,542)
Cost as at December 31, 2024	**2,550,150**	**2,550,150**
Accumulated amortisation as at January 01, 2024	650,980	650,980
Amortisation for the year	372,120	372,120
Disposals / Remeasurement	(763,542)	(763,542)
Accumulated amortisation as at December 31, 2024	**259,558**	**259,558**
Net carrying amount as at December 31, 2024	**2,290,592**	**2,290,592**
Cost as at January 01, 2023	754,750	754,750
Additions	642,320	642,320
Disposals / Remeasurement	(72,267)	(72,267)
Cost as at December 31, 2023	**1,324,803**	**1,324,803**
Accumulated amortisation as at January 01, 2023	500,773	500,773
Amortisation for the year	222,474	222,474
Disposals / Remeasurement	(72,267)	(72,267)
Accumulated amortisation as at December 31, 2023	**650,980**	**650,980**
Net carrying amount as at December 31, 2023	**673,823**	**673,823**

The Company incurred GBP 158,879 & GBP 172,932 for the year ended December 31, 2024 and 2023 respectively, towards expenses relating to leases of low-value assets.

Interest on lease liabilities is GBP 56,514 and GBP 33,831 for the year ended December 31, 2024 and 2023, respectively.

Payments toward leases of low-value assets and leases with less than twelve months of lease term, are disclosed under operating activities in the statement of cash flows. All other lease payments during the year are disclosed under financing activities in the statement of cash flows.

The maturity analysis of lease liabilities is covered under Note 25 - Financial instruments.

B Lease liabilities

	Opening Balance	Interest on lease liability	Payment of lease liabilities	Forex Impact	Net Addition to lease liability (Non Cash)	Closing Balance
December 31, 2024	688,100	56,514	(355,939)	(455)	1,963,889	2,352,109
December 31, 2023	313,963	33,831	(302,093)	79	642,320	688,100

Hexaware Technologies UK Limited

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Notes forming part of Financial Statements for the year ended December 31, 2024

5 Property, plant and equipment

	Plant and Machinery [1]	Furniture and Fixtures	Office Equipment	Leasehold Improvements	Total
Cost as at January 01, 2024	941,175	16,060	16,574	76,900	1,050,709
Additions	186,922	-	3,269	-	190,191
(Disposals) / (Adjustments)	(84,825)	-	-	-	(84,825)
Cost as at December 31, 2024	1,043,272	16,060	19,843	76,900	1,156,075
Accumulated depreciation as at January 01, 2024	647,050	15,431	12,695	76,900	752,076
Depreciation for the year	221,087	629	2,773	-	224,489
(Disposals) / (Adjustments)	(83,673)	-	-	-	(83,673)
Accumulated depreciation as at December 31, 2024	784,464	16,060	15,468	76,900	892,892
Net carrying amount as at December 31, 2024	**258,808**	**-**	**4,375**	**-**	**263,183**
Cost as at January 01, 2023	853,833	16,060	15,505	76,900	962,298
Additions	108,654	-	1,069	-	109,723
(Disposals) / (Adjustments)	(21,312)	-	-	-	(21,312)
Cost as at December 31, 2023	941,175	16,060	16,574	76,900	1,050,709
Accumulated depreciation as at January 01, 2023	471,081	14,385	9,802	76,900	572,168
Depreciation for the year	196,555	1,046	2,893	-	200,494
(Disposals) / (Adjustments)	(20,586)	-	-	-	(20,586)
Accumulated depreciation as at December 31, 2023	647,050	15,431	12,695	76,900	752,076
Net carrying amount as at December 31, 2023	**294,125**	**629**	**3,879**	**-**	**298,633**

Capital work-in-progress ageing

	Amount in Capital work-in-progress for a period of				Total
Projects in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at December 31, 2024	209,127	-	-	-	**209,127**
As at December 31, 2023	-	-	-	-	-

Note:

1 Plant and machinery includes computer systems.

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Notes forming part of Financial Statements for the year ended December 31, 2024

6 Investments

Investments – Non-current	As at December 31, 2024	As at December 31, 2023
Investment in Subsidiary at cost (unquoted)		
100,000 EQUITY SHARES OF ZAR 10/- EACH FULLY PAID UP, in HEXAWARE TECHNOLOGIES SOUTH AFRICA PTY.LTD	48,669	48,669
10,125 EQUITY SHARES OF RON 10/- EACH FULLY PAID UP, in HEXAWARE TECHNOLOGIES ROMANIA SRL *	-	-
10,000 EQUITY SHARES of EUR 10/- EACH FULLY PAID UP, in Hexaware Technologies Belgium SRL	84,640	84,640
33,750 EQUITY SHARES OF ARS 1/- EACH FULLY PAID UP, in HEXAWARE ARGENTINA	206	206
	133,515	**133,515**

* Hexaware Technologies Romania was liquidated with effect from September 13, 2023. On liquidation investment in subsidiary and receivables from subsidiary have been written off.

7 Income taxes

A Income tax expense is allocated as follows :

	For the year ended December 31, 2024	For the year ended December 31, 2023
Income tax expense as per the Statement of Profit and Loss	2,009,086	1,817,931
	2,009,086	1,817,931

B The reconciliation of estimated income tax expense at the statutory income tax rate to the income tax expenses reported in statement of profit and loss is as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Profit before tax	7,114,321	6,238,690
Expected tax expense at the enacted tax rate of 25% (Previous year 19% upto March 2023 and 25% from April 2023)	1,778,580	1,467,470
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense :		
Disallowed expenses	14,834	84,394
Others	215,672	266,066
	2,009,086	1,817,931

C **Components and movement in deferred tax assets and liabilities is as follows :**

Components of net deferred tax asset:

Components of deferred taxes:	January 01, 2024	Recognised in profit or loss	Recognised in OCI	December 31, 2024
Deferred tax asset				
Statutory Liability	-	61,135	-	61,135
ROU Liability	-	588,027	-	588,027
Total	-	649,162	-	649,162
Deferred tax liabilities				
Property, plant and equipments	(74,658)	24,821	-	(49,837)
ROU asset	-	(572,647)	-	(572,647)
Total	(74,658)	(547,826)	-	(622,484)
Net Deferred tax asset	(74,658)	101,336	-	26,678

Components of net deferred tax liabilities:

Components of deferred taxes:	January 01, 2023	Recognised in profit or loss	Recognised in OCI	December 31, 2023
Deferred tax liabilities				
Property, plant and equipments	-	74,658	-	74,658
Total	-	74,658	-	74,658

8 Other financial assets

A Other financial assets – Non-current	**As at December 31, 2024**	**As at December 31, 2023**
Restricted bank balances[1]	-	175,000
Security deposits for premises and others	56,460	63,592
Total	**56,460**	**238,592**

B Other financial assets – Current	**As at December 31, 2024**	**As at December 31, 2023**
Loan to fellow subsidiary	5,500,000	5,500,000
Interest accrued on loan given	34,375	34,375
Security deposits for premises and others	6,891	-
Total	**5,541,266**	**5,534,375**

9 Other assets

A Other assets – Non-current	**As at December 31, 2024**	**As at December 31, 2023**
Capital advances	171,726	-
Prepaid expenses	231,065	222,524
Contracts assets	1,448,876	-
Total	**1,851,667**	**222,524**

B Other assets – Current	**As at December 31, 2024**	**As at December 31, 2023**
Prepaid expenses	1,056,075	736,955
Employee advances	64,905	49,806
Contracts assets	4,136,933	802,696
Advance to suppliers	23,072	60,889
Others	-	186
Total	**5,280,985**	**1,650,532**

Note

1 Restriction on account of bank deposits held as margin money.

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Notes forming part of Financial Statements for the year ended December 31, 2024

10 Trade receivables

A Trade receivables - Billed - Current (Unsecured)

	As at December 31, 2024	As at December 31, 2023
Trade receivable - Billed	15,999,921	21,449,440
Less: Life time expected credit loss	(167,020)	(3,290,439)
Total	**15,832,901**	**18,159,001**

B Trade receivables ageing

Ageing for trade receivables as at December 31, 2024 is as follows:

	Not Due	Outstanding for following periods from due date of payment: Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivable - Billed							
Undisputed trade receivables – considered good	12,266,546	3,555,939	33,899	39,223	9,102	95,212	15,999,921
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
	12,266,546	3,555,939	33,899	39,223	9,102	95,212	15,999,921
Less - Life time expected credit loss							(167,020)
							15,832,901
Trade Receivables - Unbilled							6,552,301
							22,385,202

Ageing for trade receivables as at December 31, 2023 is as follows:

	Not Due	Outstanding for following periods from due date of payment: Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivable - Billed							
Undisputed trade receivables – considered good	12,542,199	8,683,352	10,002	68,071	5,722	140,094	21,449,440
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
	12,542,199	8,683,352	10,002	68,071	5,722	140,094	21,449,440
Less - Life time expected credit loss							(3,290,439)
							18,159,001
Trade Receivables - Unbilled							3,818,190
							21,977,191

C The activity in the Life time expected credit loss is given below:

	As at December 31, 2024	As at December 31, 2023
Balance at the beginning of the year	3,290,439	221,301
Additions / (write-back) during the year, net	70,289	3,245,980
Charged against allowance	(3,193,708)	(176,842)
Balance at the end of the year	**167,020**	**3,290,439**

11 Cash and bank balances

Cash and cash equivalents	**As at December 31, 2024**	**As at December 31, 2023**
In current accounts with banks	27,821,026	28,222,020
Margin money with banks	-	175,000
	27,821,026	**28,397,020**
Less: Restricted bank balances	-	(175,000)
Total	**27,821,026**	**28,222,020**

12 Equity

12.1 Authorised capital	**As at December 31, 2024**	**As at December 31, 2023**
11,000,000 EQUITY SHARES OF GBP 1/- EACH	11,000,000	11,000,000

12.2 Issued, subscribed and paid-up capital	**As at December 31, 2024**	**As at December 31, 2023**
2,167,000 EQUITY SHARES OF GBP 1/- EACH FULLY PAID	2,167,000	2,167,000

12.3 Reconciliation of number of shares	**As at December 31, 2024**	**As at December 31, 2023**
Shares outstanding at the beginning of the year	2,167,000	2,167,000
Shares outstanding at the end of the year	**2,167,000**	**2,167,000**

12.4 Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of 1 GBP each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

12.5 Details of shares held by promoters and shareholders holding more than 5% shares		**As at December 31, 2024**	**As at December 31, 2023**
Name of the shareholder			
Hexaware Technologies Limited	No. of shares held	2,167,000	2,167,000
	% of holding	100%	100%

(GBP, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

13 Other financial liabilities

	As at December 31, 2024	As at December 31, 2023
Other financial liabilities - Current		
Employee liabilities	4,803,900	5,116,623
Liabilities towards customer contracts	3,775,041	3,347,427
Others	-	186
Total	**8,578,941**	**8,464,236**

14 Trade payables

	As at December 31, 2024	As at December 31, 2023
A Dues of other than micro enterprises and small enterprises		
Trade payables	9,103,088	10,678,049
Accrued expenses	13,896,816	8,260,955
Total	**22,999,904**	**18,939,004**
B Dues of micro enterprises and small enterprises	-	-
Total	**22,999,904**	**18,939,004**

C Trade payable ageing

Ageing for trade payables outstanding as at December 31, 2024 is as follows:

	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables						
MSME	-	-	-	-	-	-
Others	4,759,296	4,336,806	6,986	-	-	9,103,088
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
	4,759,296	4,336,806	6,986	-	-	9,103,088

Ageing for trade payables outstanding as at December 31, 2023 is as follows:

	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables						
MSME	-	-	-	-	-	-
Others	4,310,970	6,367,079	-	-	-	10,678,049
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
	4,310,970	6,367,079	-	-	-	10,678,049

(GBP, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

15 Other liabilities

	As at December 31, 2024	As at December 31, 2023
Other liabilities - Current		
Contract liabilities	1,468,691	2,929,834
Statutory liabilities	3,987,845	5,392,603
Total	**5,456,536**	**8,322,437**

16 Provisions

	As at December 31, 2024	As at December 31, 2023
Provisions - Current		
Employee benefit obligations in respect of compensated absences and others	2,206,730	2,399,502
Total	**2,206,730**	**2,399,502**

Hexaware Technologies UK Limited

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(GBP, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

17 Revenue

17.1 Revenue disaggregation by geography is as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Geography		
Europe	139,799,161	107,486,115
Others	565,570	40,469,608
Total	**140,364,731**	**147,955,723**

17.2 Revenue disaggregation by contract type is as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Offshore	63,596,361	64,416,783
Onshore	76,768,370	83,538,940
Total revenue from operations	**140,364,731**	**147,955,723**

17.3 Revenue disaggregation by nature of service is as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Revenue from contracts with customers	140,364,731	147,955,723
	140,364,731	**147,955,723**

17.4 Reconciliation of revenue recognised with the contracted price is as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Contracted price	143,590,740	151,170,686
Reductions towards variable consideration components (discounts, rebate)	(3,226,009)	(3,214,963)
Revenue recognised	**140,364,731**	**147,955,723**

(GBP, unless otherwise stated)
Notes forming part of Financial Statements for the year ended December 31, 2024

17.5 Changes in Contract Liabilities are as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Balance as at the beginning of the year	2,929,833	2,991,224
Revenue recognised during the year	(2,676,103)	(2,858,440)
Additions during the year	3,664,254	2,797,049
Balance as at the end of the year	**3,917,984**	**2,929,833**

17.6 Contract Assets are as follows:

During the year ended December 31,2024 and December 31, 2023, GBP 769,876 and GBP 2,205,319 of contract assets pertaining to fixed-price development contracts have been reclassified to receivables on completion of milestones.

17.7 Transaction price allocated to the remaining performance obligations

The remaining performance obligations represents contracted revenue that has not yet been recognised, which includes contract liabilities and amounts that will be invoiced and recognized as revenue in future periods.

	As at December 31, 2024	As at December 31, 2023
Within 1 year	34,117,011	29,103,282
More than 1 year	40,766,707	47,401,648

The Company has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date. The above revenue is subject to any changes in the transaction price.

18 Other income

	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest income on financial assets at amortised cost	968,811	821,798
Profit on sale of property, plant and equipment (net)	1,247	623
Exchange rate difference (net)	(294,194)	(514,367)
Total	**675,864**	**308,054**

19 Employee benefits expense

	For the year ended December 31, 2024	For the year ended December 31, 2023
Salary and allowances	39,707,502	40,177,084
Contributions to provident and other funds	5,183,246	5,086,294
Staff welfare expenses	288,831	169,988
Employee stock option compensation cost	172,068	132,904
Total	**45,351,647**	**45,566,270**

20 Other expenses

	For the year ended December 31, 2024	For the year ended December 31, 2023
Rent	158,879	172,932
Rates and taxes	98,529	70,469
Travelling and conveyance	2,660,562	2,013,078
Electricity charges	19,571	28,588
Communication expenses	123,115	160,197
Repairs and maintenance	540,015	694,130
Printing and stationery	7,862	14,289
Payment to auditors		
Audit fees	144,575	95,907
Legal and professional fees	504,335	363,399
Advertisement and business promotion	1,248,390	2,336,280
Bank and other charges	61,320	82,487
Insurance charges	146,624	240,530
Subcontracting charges	69,925,245	81,509,749
Loss sale of Investments	-	19,514
Life time expected credit loss	70,215	3,055,718
Provision for impairment in the value of investment	-	(25,293)
Staff recruitment expenses	592,751	344,532
Cost of Software Licenses	11,555,689	4,663,005
Loss on sale of property, plant and equipment (net)	1,710	-
Miscellaneous expenses	29,592	162,210
Total	**87,888,979**	**96,001,721**

21 Finance costs

	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest on lease liabilities	56,514	33,831
Others	32,525	297
Total	**89,039**	**34,128**

22 Depreciation and amortisation expense

	For the year ended December 31, 2024	For the year ended December 31, 2023
Depreciation on Property, plant and equipment	224,489	200,494
Amortisation of RoU	372,120	222,474
Total	**596,609**	**422,968**

Hexaware Technologies UK Limited

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(GBP, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

23 Earnings per share (EPS)

	For the year ended	
	December 31, 2024	**December 31, 2023**
The components of basic and diluted EPS:		
Net profit after tax	5,105,235	4,420,759
Weighted average outstanding equity shares considered for basic & diluted EPS	2,167,000	2,167,000
Basic and diluted earnings per share	2.36	2.04

24 Related party disclosures

A Names of related parties	Country
Ultimate Holding Company	
Hexaware Global Limited (Formerly known as CA Campine Investments)	Mauritius
Holding Company (control exists)	
Hexaware Technologies Limited	India
Subsidiaries	
Hexaware Technologies Romania SRL (Liquidated w.e.f September 13, 2023)	Romania
Hexaware Technologies South Africa (Pty) Limited	South Africa
Hexaware Technologies Belgium SRL	Belgium
Hexaware Technologies Argentina SAS	Argentina
Fellow Subsidiaries	
Hexaware Technologies Inc.	United States of America
Hexaware Technologies GmbH	Germany
Hexaware Technologies Nordic AB	Sweden
Hexaware Technologies Mexico S de RL De CV	Mexico
Mobiquity Inc	United States of America
Mobiquity BV	Netherlands

B Key Management Personnel (KMP)

Director

Mr. Amrinder Singh

Mr. Parameshwaran Iyer (w.e.f June 23, 2023)

Mr. Augustine Kuthokathen (w.e.f Jan 25, 2024)

Mr. Shashank Sivakumar (w.e.f Jan 25, 2024)

Hexaware Technologies UK Limited

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(GBP, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

24 Related party disclosures (Continued)

C Details of transactions with related party

Nature of transactions	Name of the Related party and Relationship	For the year ended December 31, 2024	For the year ended December 31, 2023
Software & Consultancy Income	**Fellow Subsidiaries**		
	Mobiquity B.V.	-	329,048
Loan Given	**Fellow Subsidiaries**		
	Hexaware Technologies Inc.	-	8,000,000
Loan Repaid	**Fellow Subsidiaries**		
	Hexaware Technologies Inc.	-	(16,000,000)
Interest Income on Loan	**Fellow Subsidiaries**		
	Hexaware Technologies Inc.	412,500	637,127
Software & Development Expenses	Holding Company	45,130,606	48,097,812
	Subsidiaries		
	Hexaware Technologies Argentina SAS	46,311	45,285
	Fellow Subsidiaries		
	Hexaware Technologies, Mexico S. De. R.L. De. C.V.		1,209
	Mobiquity Inc.	11,139	41,237
	Mobiquity B.V.	146,661	1,068,413
Reimbursement of cost to	**Holding Company**	616,308	641,857
	Subsidiaries		
	Hexaware Technologies Belgium SRL	3,423	-
	Ultimate Holding Company	-	132,904
Recovery of Cost	**Holding Company**	3,927	-
Receiving of services	**Key Management Personnel**	709,481	430,718

Hexaware Technologies UK Limited

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(GBP, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

24 Related party disclosures (Continued)

D Outstanding Balances

Name of the Related party and Relationship		As at December 31, 2024	As at December 31, 2023
Advances	Holding Company	-	234,819
Loan Receivable including Interest	**Fellow Subsidiary**		
	Hexaware Technologies Inc.	5,534,375	5,534,375
Trade & Other Receivable	**Holding Company**	16,702	9,871
	Fellow Subsidiaries		
	Hexaware Technologies Inc.	9,500	-
	Hexaware Technologies GmbH	-	156,169
	Mobiquity B.V.	-	26,269
	Subsidiaries		
	Hexaware Technologies Belgium SRL	-	24,830
Trade & Other Payable	**Holding Company**	9,962,455	12,004,297
	Subsidiaries		
	Hexaware Technologies Belgium SRL	-	9,727
	Hexaware Technologies Argentina SAS	3,744	-
	Fellow Subsidiaries		
	Hexaware Technologies Mexico S de RL De CV	-	1,293
	Mobiquity BV	-	89,915
	Mobiquity Inc.	-	7,173
Investment in Equity	**Subsidiaries**		
	Hexaware Technologies South Africa Pty.Ltd	48,669	48,669
	Hexaware Technologies Argentina SAS	206	206
	Hexaware Technologies Romania SRL	-	-
	Hexaware Technologies Belgium SRL	84,640	84,640

25 Financial Instruments

(i) Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability

(ii) The carrying value / fair value of financial instruments (other than investment in subsidiaries and associates) by categories as at December 31, 2024 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	27,821,026	-	-	-	27,821,026
Trade receivables - Billed	15,832,901	-	-	-	15,832,901
Trade receivables - Unbilled	6,552,301	-	-	-	6,552,301
Other financial assets	5,597,726	-	-	-	5,597,726
Total	**55,803,954**	**-**	**-**	**-**	**55,803,954**
Trade payables	22,999,904	-	-	-	22,999,904
Lease liabilities	2,352,109	-	-	-	2,352,109
Other financial liabilities	8,578,941	-	-	-	8,578,941
Total	**33,930,954**	**-**	**-**	**-**	**33,930,954**

The carrying value / fair value of financial instruments (other than investment in associate) by categories as at December 31, 2023 is as follows:

	Amortized cost	Fair value through	Fair value through	Derivative	Total carrying / fair
Cash and cash equivalents	28,222,020	-	-	-	28,222,020
Trade receivables - Billed	18,159,001	-	-	-	18,159,001
Trade receivables - Unbilled	3,818,190	-	-	-	3,818,190
Other financial assets	5,772,967	-	-	-	5,772,967
Total	**55,972,178**	**-**	**-**	**-**	**55,972,178**
Trade payables	18,939,004	-	-	-	18,939,004
Lease liabilities	688,100	-	-	-	688,100
Other financial liabilities	8,464,236	-	-	-	8,464,236
Total	**28,091,340**	**-**	**-**	**-**	**28,091,340**

Note

Carrying amount of cash and cash equivalents, trade receivables, unbilled revenue, other financial assets, trade payables, lease liabilities and other financial liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant in each of the years presented.

25 Financial Instruments (continued)

(iii) Financial risk management

The Company has identified the risks under verticals like client concentration risk, credit risk, foreign currency fluctuation risk and liquidity risk. The Company has formulated policies, procedures and strategies for managing risks which is affirmed by the global CEO and CFO, after consultation with all business units, functions and department heads.

Client concentration risk

59 % of the revenue for the year is generated from top 10 clients (previous year - 55 %). Any loss or major downsizing by these clients may impact Company's profitability. Further, excessive exposure to particular clients will limit Company's negotiating capacity and expose us to higher credit risk.

The Company is able to maintain a diversified high quality client roster that can be accessed through the depth of relationships with existing clients.

The Company's growth strategy involves a mix of new client addition and mining the accounts of existing clients. As the Company adds more clients and grow revenues from the existing clients, it reduces dependence on the large clients. Moreover, large clients allow quick scaling up of revenues and they come with higher margins due to lower associated cost and higher cost predictability.

Credit Risk

Since most of Company's transactions are done on credit, the Company is exposed to credit risk on accounts receivable. Any delay, default or inability on the part of the client to pay on time will expose the Company to credit risk and can impact profitability. Company's maximum credit exposure is in respect of trade receivables and unbilled receivables is as mentioned in the table below

Particulars	Trade Receivables	Unbilled Receivables
December 31,2024	15,832,901	6,552,301
December 31, 2023	18,159,001	3,818,190

The Company has adopted an effective receivable management system to control the Days' Sales Outstanding (DSO). Refer to note 10 for the age wise analysis of trade receivables that are not due as well as past due and allowance for the doubtful receivables.

Top 10 customer dues contribute 80 % of the total outstanding as at December 31, 2024 (55% as at December 31, 2023).

Cash and cash equivalents are neither past due nor impaired. Cash and cash equivalents include deposits with banks and financial institution with high credit-ratings assigned by credit-rating agencies.

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(GBP, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

25 Financial Instruments (continued)

(iv) Foreign Currency fluctuations Risk

The company's transactions are predominantly in Pound Sterling and incurs foreign currency risk on transactions that are denominated by currency other than Pound Sterling such as USD, Danish Krone & Euro. The company do not hedge any currency exposures.

The following table analyses foreign currency risk from financial instruments as at December 31, 2024 & 2023:

	Net financial assets (A)	Net financial liabilities (B)	Net assets/(liabilities) (A-B)
As at December 31, 2024			
USD	4,615,464	365,395	4,250,069
EUR	3,879,795	1,077,221	2,802,574
Others [1]	458,436	1,372	457,064

	Net financial assets (A)	Net financial liabilities (B)	Net assets/(liabilities) (A-B)
As at December 31, 2023			
USD	6,760,328	382,640	6,377,688
EUR	5,173,381	5,226,246	(52,865)
Others [1]	428,787	-	428,787

10% depreciation/appreciation of the respective foreign currencies vis-a-vis functional currency of the Company would result in the increase/ decrease in Company's profit before tax approximately by GBP 750,971 and GBP 675,361 for the year ended December 31,2024 and December 31, 2023.

(v) Liquidity risk

The Company needs continuous access to funds to meet short and long term strategic investments. The Company's inability to meet such requirements in stipulated period may hamper growth plan and even ongoing operations. Further, the Company's inability to quickly convert assets into cash without incurring any material loss will expose it to liquidity risks.

Over the years, the Company has increased its liquidity position by managing its DSO and maintaining high cash / bank balance.

As at December 31, 2024 the Company had total cash and bank balance of GBP Rs. 27,821,026 (December 31, 2023 : GBP 28,222,020) which constitutes approximately 42 % (December 31, 2023 : 48 %) of total assets.

The tables below provide details of the contractual maturities of significant financial liabilities as at:

As at December 31, 2024	Less than 1 year	1-2 years	3-5 years	Beyond 5 years	Total
Lease Liabilities	245,718	508,589	1,031,238	1,310,088	3,095,633
Trade and other payables	22,999,904	-	-	-	22,999,904
Others (Refer to note 13)	8,578,941	-	-	-	8,578,941
Total	**31,824,563**	**508,589**	**1,031,238**	**1,310,088**	**34,674,478**

As at December 31, 2023	Less than 1 year	1-2 years	3-5 years	Beyond 5 years	Total
Lease Liabilities	322,660	365,440	-	-	688,100
Trade and other payables	18,939,004	-	-	-	18,939,004
Others (Refer to note 13)	8,464,236	-	-	-	8,464,236
Total	**27,725,900**	**365,440**	**-**	**-**	**28,091,340**

(vi) Interest rate risk

The Company is into borrowing arrangement in the form of bill discounting which is quite an insignificant amount. The balances with banks is in the form of fixed interest rate deposits. Accordingly, the Company is not exposed to significant interest rate risk.

(vii) Capital management

The Company's objective for capital management is to maximize the ultimate shareholder's value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The Company is not subject to any externally imposed capital requirements.

Note

1 Others include currencies such as Danish krone, Norwegian Krone etc.

(GBP, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

26 Segments

In accordance with Ind AS 108 'Operating Segment', the Holding Company has disclosed Segment information on consolidated basis for the year ended December 31, 2024 which is available as part of the audited consolidated financial statements of the Holding Company.

27 Other updates

A Employee Benefits

The Company recognized GBP 5,183,246 (2024: GBP 5,086,294) for Social security and pension contributions in profit and loss account. The contributions payable to these plans by the company are at rates specified in the rules of the schemes.

B Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) as at December 31, 2024 is GBP 543,799.

C Material events after Balance Sheet date:

There is no significant event after reporting date which requires amendments or disclosure to these financial statements.

D Approval of the financial statements:

The financial statements were approved for issue by the Board of Directors on March 4, 2025

For and on behalf of the Board

Parameshwaran Iyer

Parameshwaran Iyer
Director

Place: United Kingdom

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF HEXAWARE TECHNOLOGIES UK LIMITED

Opinion

We have audited the financial statements of Hexaware Technologies UK Limited (the Company), which comprise the balance sheet as at December 31, 2024, and the income statement, statement of changes in equity and cash flow statement for the year ended December 31, 2024, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements as at 31 December 2024 and for the year end has been prepared, in all material respects in accordance with the group accounting policies and procedures.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing UK (ISAs UK). 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 United Kingdom, 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 opinion.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Company in complying with the financial reporting provisions referred to above. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Company and its members and should not be distributed to or used by other parties. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation of the financial statements in accordance with the group accounting policies 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 relating 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 UK 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 UK, we exercise professional judgment and maintain professional scepticism 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 Partnership's internal control.

- 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 appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with those charged with governance 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.

DocuSigned by:
Menzies LLP
7105C495330840B...

Menzies LLP
Chartered Accountants & Statutory Auditor
4th Floor
95 Gresham Street
London
EC2V 7AB

04-Mar-2025

To the Directors of
Hexaware Technologies México, S. De R.L de C.V.
Av. San Angel #240 Piso 3 D-A
Col. Valle San Agustin, C.P.25215
Saltillo, Coahuila, México

January 25th, 2025

Dear Sirs,

We have audited the attached accounts and notes of Hexaware Technologies México, S. de R.L. de C.V. for the quarter ended December 31st, 2024 which have been prepared by the company for the purpose of attachment to the accounts of its Holding company.

We confirm that the attached accounts have been prepared by the company taking as a reference the information from the books and records of the same and are in accordance with the statutory accounts of Hexaware Technologies México, S. de R.L. de C.V. as audited by us according to IAS (International Audited Standards).

JFZ Consulting Firm, S.C.
Member of International Association of Practicing Accountants
Member of Leading Edge Alliance

C.P.C. Javier Fuentes Zambrano
Monterrey, México
January 25th, 2025

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Hexaware Technologies Mexico, S. DE R.L. DE C.V. Company

Registered Office: Ave. San Angel # 240 piso 3 D-B Fracc San Agustin CP 25215 Saltillo, Coahuila Mexico

(MXN, except share and per share data, unless otherwise stated)

Balance Sheet

	Note No.	As at December 31, 2024	December 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	10,017,781	26,386,312
Right-of-use assets	3	37,495,594	57,100,254
Other financial assets	6	8,052,457	12,739,665
Deferred tax assets (net)	5	35,614,230	24,893,476
Other Non-current assets		45,360,867	39,277,740
Total non-current assets		**136,540,929**	**160,397,447**
Current assets			
Financial assets:			
Trade receivables			
Billed	8	326,246,336	260,074,037
Unbilled		35,914,575	21,337,903
Cash and cash equivalents	9	47,182,799	27,827,742
Income tax assets (net)		20,305,044	47,630,499
Other current assets	7	12,135,926	23,141,779
Total current assets		**441,784,680**	**380,011,960**
TOTAL ASSETS		**578,325,609**	**540,409,407**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	8,087,502	8,087,502
Other equity		363,793,138	329,332,665
Total equity		**371,880,640**	**337,420,167**
Non-current liabilities			
Financial liabilities:			
Lease liabilities		16,409,060	31,696,292
Provisions	14A	2,288,338	2,695,500
Total non-current liabilities		**18,697,398**	**34,391,792**
Current liabilities			
Financial liabilities:			
Lease liabilities		24,023,224	27,585,409
Trade payables			
Dues of micro enterprises and small enterprises		-	-
Dues of other than micro enterprises and small enterprises	12	13,268,032	10,090,934
Other financial liabilities	11	40,310,931	39,881,796
Other current liabilities	13	66,800,408	51,545,594
Provisions	14B	43,344,976	41,458,514
Employee benefit obligations in respect of compensated absences and others			
Income tax liabilities (net)		-	(1,964,799)
Total current liabilities		**187,747,571**	**168,597,448**
Total liabilities		**206,444,969**	**202,989,240**
TOTAL EQUITY AND LIABILITIES		**578,325,609**	**540,409,407**

The accompanying notes 1 to 26 form an integral part of the Condensed interim standalone financial statements.

As per our report of even date attached

For JFZ Consulting Firm, S.C

Chartered Accountants

For and on behalf of the Board

C.P.C. Javier Fuentes Zambrano
Partner

Place: Monterrey, N.L. Mexico
Date: January 25th, 2025

Kalpesh Bhatt
Director

Place: New Jersey
Date: January 25th, 2025

Hexaware Technologies Mexico, S. DE R.L. DE C.V. Company

Registered Office: Ave. San Angel # 240 piso 3 D-B Fracc San Agustin CP 25215 Saltillo, Coahuila Mexico

(MXN, except share and per share data, unless otherwise stated)

Statement of Profit And Loss

	Note No.	For the year ended December 31, 2024	December 31, 2023
INCOME			
Revenue from operations	15	1,030,297,916	1,112,177,348
Other income	16	49,128,212	(22,900,579)
TOTAL INCOME		**1,079,426,128**	**1,089,276,769**
EXPENSES			
Employee benefits expense	17	819,010,069	811,629,664
Finance costs	19	**5,794,158**	2,706,858
Depreciation and amortisation expense	3 & 4	**53,625,647**	43,755,680
Other expenses	18	148,574,579	163,935,086
TOTAL EXPENSES		**1,027,004,453**	**1,022,027,288**
PROFIT BEFORE TAX		**52,421,675**	**67,249,481**
Tax expense			
Current tax		28,681,956	24,774,451
Deferred tax charge / (credit)		(10,720,754)	(1,053,459)
Total tax expense		**17,961,202**	**23,720,992**
PROFIT FOR THE YEAR		**34,460,473**	**43,528,489**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**34,460,473**	**43,528,489**
Earnings per equity share:- Basic and diluted (In MXN)	20		
Basic & Diluted Earning Per share		17,230,237	21,764,244

The accompanying notes 1 to 26 form an integral part of the Condensed interim standalone financial statements.

As per our report of even date attached

For JFZ Consulting Firm, S.C
Chartered Accountants

C.P.C. Javier Fuentes Zambrano
Partner

Place: Monterrey, N.L. Mexico
Date: January 25th, 2025

For and on behalf of the Board

Kalpesh Bhatt
Director

Place: New Jersey
Date: January 25th, 2025

JFZ CONSULTING FIRM S.C
CONTADORES PUBLICOS Y AUDITORES

Hexaware Technologies Mexico, S. DE R.L. DE C.V. Company

Registered Office: Ave. San Angel # 240 piso 3 D-B Fracc San Agustin CP 25215 Saltillo, Coahuila Mexico

(MXN, except share and per share data, unless otherwise stated)

Statement of Changes in Equity

	As at December 31, 2024	As at December 31, 2023
A. EQUITY SHARE CAPITAL		
Outstanding at the beginning of the year	8,087,502	8,087,502
Changes in equity share capital during the year [1]	-	-
Outstanding at the end of the year	**8,087,502**	**8,087,502**

OTHER EQUITY

	Reserves and surplus		Other comprehensive income	Total equity
	General reserve	Retained earnings	Cashflow hedging reserve (CFHR)	
Balance as at January 1, 2024	2,574,705	326,757,960		329,332,665
Profit for the year	-	34,460,473	-	34,460,473
Other comprehensive income (net of tax)	-	-	-	-
Total comprehensive income	**2,574,705**	**361,218,433**	-	**363,793,138**
Balance as at December 31, 2024	**2,574,705**	**361,218,433**	**-**	**363,793,138**
Balance as at January 1, 2023	2,574,705	283,229,472	-	285,804,177
Profit for the year		43,528,488	-	43,528,488
Total comprehensive income	**2,574,705**	**326,757,960**	**-**	**329,332,665**
Balance as at December 31, 2023	**2,574,705**	**326,757,960**	**-**	**329,332,665**

Notes

1 Refer to note 14

2 Supplementray information convenience translation (see note 2)

3 Relates to reversal of cash settlement payout for which provision was made in December 2024.

The accompanying notes 1 to 26 form an integral part of the Condensed interim standalone financial statements.

As per our report of even date attached

For JFZ Consulting Firm, S.C
Chartered Accountants

C.P.C. Javier Fuentes Zambrano
Partner

Place: Monterrey, N.L. Mexico
Date: January 25th, 2025

For and on behalf of the Board

Kalpesh Bhatt
Director

Place: New Jersey
Date: January 25th, 2025

JFZ CONSULTING FIRM S.C
CONTADORES PUBLICOS Y AUDITORES

Hexaware Technologies Mexico, S. DE R.L. DE C.V. Company

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(MXN, except share and per share data, unless otherwise stated)

Statement of Cash Flows

	For the year ended December 31, 2024	For the year ended December 31, 2023
Cash flow from operating activities		
Profit before tax	**52,421,675**	**67,249,481**
Adjustments for:		
Depreciation and amortization expense	53,625,647	43,755,680
Interest income	(2,056,504)	-
Allowance for doubtful debts (net of write back)	809,587	-
Profit on sale of property, plant and equipment (PPE) (net)	(403,677)	111,719
Exchange rate difference (net) - unrealised	(1,274,587)	2,192,635
Finance costs	5,794,158	2,706,858
Operating profit before working capital changes	**108,916,299**	**116,016,373**
Adjustments for:		
Trade receivables and other assets	**(65,055,910)**	(57,454,535)
Trade payables, other liabilities and provisions	**22,305,146**	(15,735,524)
Cash generated from operations	**66,165,535**	**42,826,314**
Direct taxes paid (net)	**(7,439,628)**	(28,582,990)
Net cash generated from operating activities	**58,725,907**	**14,243,324**
Cash flow from investing activities		
Purchase of PPE and intangible assets including CWIP and capital advances	**(7,486,178)**	(9,214,284)
Proceeds from sale of property, plant and equipment		
Purchase of investments		
Proceeds from sale / redemption of investments		
Net cash generated / (used in) from investing activities	**(7,486,178)**	**(9,214,284)**
Cash flow from financing activities		
Payment of lease liabilities	(33,159,259)	(25,318,984)
Net cash used in from financing activities	**(33,159,259)**	**(25,318,984)**
Net increase in cash and cash equivalents	**18,080,470**	**(20,289,944)**
Cash and cash equivalents at the beginning of the year	27,827,742	50,310,321
Exchange difference on translation of foreign currency cash and cash equivalents	1,274,587	(2,192,635)
Cash and cash equivalents at the end of the year	**47,182,799**	**27,827,742**
(Refer to note 9)		

The statement of cash flows has been prepared using the indirect method as set out in Ind AS 7.

The accompanying notes 1 to 26 form an integral part of the Condensed interim standalone financial statements.

As per our report of even date attached
For JFZ Consulting Firm, S.C
Chartered Accountants

C.P.C. Javier Fuentes Zambrano
Partner

Place: Monterrey, N.L. Mexico
Date: January 25th, 2025

For and on behalf of the Board

Kalpesh Bhatt
Director

Place: New Jersey
Date: January 25th, 2025

Hexaware Technologies Mexico, S. DE R.L. DE C.V. Company

(MXN, except share and per share data, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

1 Company Overview

Hexaware Technologies Mexico S de RL de CV (the Company), incorporated in Mexico on 8th May 2007, is a wholly owned subsidiary of Hexaware Technologies Limited a foreign corporation incorporated in India. These accounts have been prepared and audited for the purpose of consolidation, with the holding company.
The Company is in the business of automated testing of enterprise resource planning and customized software applications. Their business involves systems verification, quality strategy, information technology governance solutions and various functional, performance and system stress verification exercises and Business Processing Services. The Company is also a provider of business technology optimization consulting services.

2 Basis of preparation of Financial statements

2.1 Statement of compliance

The Financial statements comply in all material aspects with Indian Accounting standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act as amended from time to time.

2.2 Basis of Preparation

These financial statements are prepared on historical cost basis, except for certain financial instruments which are measured at fair values as explained in the accounting policies below.

These financial statements have been prepared in Mexican Peso (MXN) which is the functional currency of the Company

Previous year figures have been re-grouped/re-classified wherever necessary to correspond with the current years classification/disclosures

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

2.3.1 Critical accounting judgements and key source of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expense, assets and liabilities and disclosures relating to contingent liabilities on the date of the financial statements. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the period in which the estimate is revised and in any future period affected.

Key source of estimation uncertainty which may cause material adjustments:

2.3.2 Revenue recognition

The Group uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Group to estimate the efforts expended to date as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Hexaware Technologies Mexico, S. DE R.L. DE C.V. Company

Notes forming part of Financial Statements for the year ended December 31, 2024

2.3.3 Income-tax

The major tax jurisdiction for the Company is India though the Company also files tax returns in overseas jurisdictions. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax on unrecognised tax benefits. Tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.3.4 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.3.5 Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2.3.6 Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

2.3.7 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.4 Leases

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an rent expense on a straight-line basis over the lease term

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term and useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

Company as a lessor
At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 Revenue to allocate the consideration in the contract.

2.5 Functional and presentation currency
Foreign currency
Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rate prevailing on the date of the Balance Sheet. The resulting exchange difference on such restatement and settlement is recognized in the profit or loss, except exchange differences on transactions entered into in order to hedge certain foreign currency risk.
Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date of Balance Sheet. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.
Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. Items in the statement of profit or loss have been translated using average exchange rates. Translation adjustments have been reported as foreign currency translation reserve in Other comprehensive income.

2.6 Borrowing Cost
Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in the profit or loss.

2.7 Employee Benefits
a) **Post-employment benefits and other long term benefit plans**
In accordance with Mexican Labour law, the Company provides seniority premium benefits to its employees under certain circumstances. These benefits consist of a one-time payment equivalent to 12 days wages for each year of service (at the employees most recent salary but not to exceed twice the legal minimum wage) payable to all employee´s with 15 or more years of services, as well as to certain employees terminated involuntary prior to the vesting of their seniority premium benefit. The Company also provides statutorily mandated severance benefits to its employees terminated under certain circumstances. Such benefits consist of a one-time payment of three months wages plus 20 days´ wages for each year of service payable upon involuntary termination without just cause. Provisions for such benefits are charged to Statement of Profit and Loss.
b) **Short term employee benefit**
The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period when the employee renders those services. These benefits include compensated absences such as leave expected to be availed within a year.

2.8 Taxes on Income
Income tax expense comprises of current tax and deferred tax. Current and deferred tax are recognised in net income, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.
Current tax is measured at the amount expected to be paid or recovered from the domestic and overseas tax authorities using enacted or substantively enacted tax rates.
Deferred taxes are recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax assets and liabilities are not recognised when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profit at the time of the transaction.

Deferred tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Advance taxes and provisions for current income taxes as well as deferred tax assets and liabilities are presented in the statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the entity intends to settle the asset and liability on a net basis.

2.9 Property, plant and equipment (PPE)

PPE are stated at cost of acquisition less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation

Depreciation is provided on straight-line method based on the estimated useful lives of the assets as follows:

Asset Class	Estimated useful Life
Computer Systems (included in Plant and Machinery)	3 years
Office Equipment	5 years
Furniture and Fixtures	8 years

Improvement to Leasehold Premises are amortised over the lease period or useful life of an asset whichever is lesser

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

2.10 Intangible assets

Intangible assets with finite useful lives that are acquired are initially recognised at cost in case of separately acquired assets and at fair value in case of acquisition in business combination. Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortisation and impairment loss, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. Following table summarises the nature of intangibles and the estimated useful lives.

Asset Class	Estimated useful Life
Software Licences	3 years

Amortisation method, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An intangible asset is derecognised on disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

2.11 Impairment of assets other than goodwill

The Company assesses at each balance sheet date, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

2.12 Provisions

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.

2.13 Non derivative financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Financial assets and financial liabilities – Subsequent & measurement

(i) **Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) **Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) **Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial liabilities

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

Share capital

Equity shares

Incremental costs directly attributable to the issue of equity shares, net of any tax effects, are recognised as a deduction from equity.

2.14 Earnings per share ('EPS')

Basic EPS are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.15 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the nine months period ended September 30, 2024, MCA has notified Ind AS 117 – Insurance Contracts applicable to the Company w.e.f. January 1, 2025. The Company has reviewed the new standard and based on its evaluation has determined that it does not have any significant impact in its Restated consolidated financial information.

JFZ CONSULTING FIRM S.C.
CONTADORES PUBLICOS Y AUDITORES

Hexaware Technologies Mexico, S. DE R.L. DE C.V. Company

(MXN, except share and per share data, unless otherwise stated)
Notes forming part of Financial Statements for the year ended December 31, 2024

3 Right-of-use assets

The details of the right-of-use assets held by the Company is as follows:

	Leasehold land	Total
Cost as at January 1, 2024	100,974,218	100,974,218
Additions	9,218,793	9,218,793
Deletion	(29,451,688)	(29,451,688)
Cost as at December 31, 2024	**80,741,323**	**80,741,323**
Accumulated amortization as at January 1, 2024	43,873,964	43,873,964
Amortisation for the Year	29,816,073	29,816,073
Deletion	(30,444,308)	(30,444,308)
Accumulated amortization as at December 31, 2024	**43,245,729**	**43,245,729**
Net carrying amount as at December 31, 2024	**37,495,594**	**37,495,594**

Cost as at January 1, 2023	88,443,122	88,443,122
Additions	52,654,280	52,654,280
Deletion	(40,123,184)	(40,123,184)
Cost as at December 31, 2023	**100,974,218**	**100,974,218**
Accumulated amortization as at January 1, 2023	54,542,372	54,542,372
Amortisation for the Year	23,603,480	23,603,480
Deletion	(34,271,888)	(34,271,888)
Accumulated amortization as at December 31, 2023	**43,873,964**	**43,873,964**
Net carrying amount as at December 31, 2023	**57,100,254**	**57,100,254**

Hexaware Technologies Mexico, S. DE R.L. DE C.V. Company

(MXN, except share and per share data, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

4 Property, plant and equipment

Property, plant and equipment (PPE) consist of the following:

	Plant and machinery	Furniture and fixtures	Office equipment	Leasehold improvements	Total
Cost as at January 1, 2024	75,289,544	13,860,476	9,228,739	25,054,965	123,433,724
Additions	546,439	107,401	130,422	6,701,916	7,486,178
Capitalised				-	-
(Disposals)		(5,873,732)	(3,959,119)	(19,526,787)	(29,359,638)
Cost as at December 31, 2024	75,835,983	8,094,145	5,400,042	12,230,094	101,560,264
Accumulated depreciation as at January 1, 2024	55,814,397	12,938,499	8,123,665	20,170,851	97,047,412
Depreciation for the period	13,986,828	49,742	99,921	9,673,082	23,809,573
(Disposals)		(5,828,596)	(3,959,119)	(19,526,787)	(29,314,502)
Accumulated depreciation as at December 31, 2024	69,801,225	7,159,645	4,264,467	10,317,146	91,542,483
Net carrying amount as at December 31, 2024	**6,034,758**	**934,500**	**1,135,575**	**1,912,948**	**10,017,781**

	Plant and machinery	Furniture and fixtures	Office equipment	Leasehold improvements	Total
Cost as at January 1, 2023	77,847,395	13,860,476	8,858,179	19,526,787	120,092,837
Additions	3,007,664	-	678,442	5,528,178	9,214,284
Capitalised	-	-	-	-	-
(Disposals)	(5,565,515)		(307,882)	-	(5,873,397)
Cost as at December 31, 2023	75,289,544	13,860,476	9,228,739	25,054,965	123,433,724
Accumulated depreciation as at January 1, 2023	45,776,613	11,482,904	7,102,390	18,324,214	82,686,121
Depreciation for the year	15,491,579	1,455,595	1,329,157	1,846,637	20,122,968
(Disposals)	(5,453,795)	-	(307,882)	-	(5,761,677)
Accumulated depreciation as at December 31, 2023	55,814,397	12,938,499	8,123,665	20,170,851	97,047,412
Net carrying amount as at December 31, 2023	19,475,147	921,977	1,105,074	4,884,115	26,386,312

Note:

1 Plant and machinery includes computer systems.

Notes forming part of Financial Statements for the year ended December 31, 2024 Currency: MXN

5 **5.1 The reconciliation of estimated income tax expense at the statutory income tax rate to the income tax expenses reported in statement of profit and loss is as follows:**

	For the year ended December 31, 2024	For the year ended December 31, 2023
Profit before income-tax	52,421,675	67,249,481
Expected tax expense at the enacted tax rate of 30% in Mexico	15,726,502	20,174,844
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Tax effect of non-deductible expenses	1,108,942	706,065
Short (Excess) provision of taxes of earlier years	(409,544)	1,062,231
Others	1,535,301	1,798,314
	17,961,202	23,741,454

5.2 Components of deferred taxes:

	January 1, 2024	Recognised in Profit or Loss	Recognised in OCI [1]	Recognised in Equity	December 31, 2024
Deferred tax assets					
Employee benefit obligations	21,948,471	(800,355)			21,148,116
Depreciation And Amortization					-
Provision for severance pay					-
Lease Liability		12,129,685			12,129,685
Others	123,865	8,177,019			8,300,884
Total	22,072,336	19,506,349	-	-	41,578,685
Deferred tax liabilities					
Others					
Depreciation	(2,821,140)	(2,463,083)			(5,284,223)
ROU asset		11,248,678			11,248,678
Total	(2,821,140)	8,785,595	-	-	5,964,455
Net deferred tax asset	24,893,476	10,720,754	-	-	35,614,230

	January 1, 2023	Recognised in Profit or Loss	Recognised in OCI [1]	Recognised in Equity	December 31, 2023
Deferred tax assets					
Employee benefit obligations	22,250,023	(301,552)			21,948,471
Depreciation And Amortization					-
Others	173,888	(50,023)			123,865
Total	22,423,911	(351,575)	-	-	22,072,336
Deferred tax liabilities					
Others					
Depreciation	(1,416,106)	(1,405,034)			(2,821,140)
Total	(1,416,106)	(1,405,034)	-	-	(2,821,140)
Net deferred tax asset	23,840,017	1,053,459	-	-	24,893,476

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Hexaware Technologies Mexico, S. DE R.L. DE C.V. Company

(MXN, except share and per share data, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

6 Other financial assets

Other financial assets – Non-current	**As at December 31, 2024**	**As at December 31, 2023**
Security deposits for premises and others	8,052,457	12,739,665
Total	**8,052,457**	**12,739,665**

7 Other assets

Other assets – Current	**As at December 31, 2024**	**As at December 31, 2023**
Prepaid expenses	10,981,725	14,653,186
Indirect taxes recoverable	-	6,423,723
Employee advances	1,154,201	2,064,870
Others	-	-
Total	**12,135,926**	**23,141,779**

8 Trade receivables

A Trade Receivables-Billed - Current (Unsecured)	**As at December 31, 2024**	**As at December 31, 2023**
Considered good	326,246,336	260,074,037
Considered doubtful	704,942	-
	326,951,278	**260,074,037**
Less: Allowance for doubtful debts	**(704,942)**	**-**
Total	**326,246,336**	**260,074,037**

B **Ageing for trade receivables as at December 31, 2024 is as follows:**

	Not Due	Outstanding for following periods from due date of payment					**Total**
		Less than 6 months	6 months - 1 year	**1-2 years**	**:**	**More than 3 years**	
Undisputed trade receivables – considered good	87,775,603	164,315,631	74,860,045				326,951,279
	87,775,603	164,315,631	74,860,045		-	-	326,951,279
Less - Allowance for Doubtful trade receivable	(704,942.94)	-	-		-	-	(704,943)
							326,246,336
Unbilled receivables							35,914,575
							362,160,911

Ageing for trade receivables as at December 31, 2023 is as follows:

	Not Due	Outstanding for following periods from due date of payment					**Total**
		Less than 6 months	6 months - 1 year	**1-2 years**	**:**	**More than 3 years**	
Undisputed trade receivables – considered good	103,982,230	138,551,895	17,539,912				260,074,037
							260,074,037
Less - Allowance for Doubtful trade receivable							
							260,074,037
Unbilled receivables							21,337,903
							281,411,940

9 Cash and bank balances

Cash and cash equivalents	**As at December 31, 2024**	**As at December 31, 2023**
In current accounts with banks	47,182,799	27,827,742
Total	**47,182,799**	**27,827,742**

Hexaware Technologies Mexico, S. DE R.L. DE C.V. Company

(MXN, except share and per share data, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

10 Equity

10.1 Authorised capital	As at December 31, 2024	As at December 31, 2023
2(2) Participation share	8,087,502	8,087,502

10.2 Issued, subscribed and fully paid-up capital	As at December 31, 2024	As at December 31, 2023
2(2) Participation share	8,087,502	8,087,502

10.3 There is no movement in the share capital during the year ended December 31,2024 and December 31,2023

10.4 Rights, preferences and restrictions attached to equity shares

The Company's share capital consist of capital contribution of MXN 8,085,329 by the holding company Hexaware Technologies Limited and MXN 2,173 by fellow subsidiary Hexaware Technologies Inc. out of which MXN 2,173 issued to Hexaware Technologies Inc. without receiving consideration in cash in view of merger of FocusFrame Mexico S de RL de CV with the company

10.5 Details of shares held by promoters

Name of the shareholder		As at December 31, 2024	As at December 31, 2023
Hexaware Technologies Ltd. (Holding Company)	No. of shares held	8,085,329	8,085,329
	% of holding	99.97%	99.97%

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Hexaware Technologies Mexico, S. DE R.L. DE C.V. Company

(MXN, except share and per share data, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

11 Other financial liabilities

	As at December 31, 2024	As at December 31, 2023
Other financial liabilities - Current		
Dues of other than micro enterprises and small enterprises	-	-
Employee liabilities	40,310,931	39,881,796
Total	**40,310,931**	**39,881,796**

12 Trade payables

	As at December 31, 2024	As at December 31, 2023
A Due of other than micro enterprises and small enterprises		
Trade payables	9,321,459	7,633,094
Accrued expenses	3,946,573	2,457,840
Total	**13,268,032**	**10,090,934**

B Trade payable ageing

Ageing for trade payables outstanding as at December 30, 2024 is as follows:

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables						
	4,198,252	5,123,207		-	-	9,321,459
	4,198,252	5,123,207	-	-	-	9,321,459
Accrued Expenses						3,946,573
						13,268,032

Ageing for trade payables outstanding as at December 31, 2023 is as follows:

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables						
	6,428,239	1,204,855		-	-	7,633,094
	6,428,239	1,204,855	-	-	-	7,633,094
						2,457,840
						10,090,934

13 Other liabilities

	As at December 31, 2024	As at December 31, 2023
Other liabilities - Current		
Contract liabilities	21,824,911	10,130,222
Statutory liabilities	44,975,497	41,415,372
Total	**66,800,408**	**51,545,594**

14 Provisions

	As at December 31, 2024	As at December 31, 2023
A Provisions - Non-current		
Employee benefit obligations in respect of gratuity and others	2,288,338	2,695,500
Total	**2,288,338**	**2,695,500**

	As at December 31, 2024	As at December 31, 2023
B Provisions - Current		
Employee benefit obligations in respect of compensated absences and others	43,344,976	41,458,514
Total	**43,344,976**	**41,458,514**

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(MXN, except share and per share data, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

15 Revenue

15.1 Disaggregated revenue with the customers by Geography is as under :

	For the year ended	
	December 31, 2024	**December 31, 2023**
Geography		
Americas	1,025,148,849	997,872,183
Rest of the world	5,149,067	114,305,165
Total	**1,030,297,916**	**1,112,177,348**

Notes :

[1] is substantially related to operations in United States of America.

15.2 Disaggregated revenue with the customers by contract type:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Onshore	26,530,831	32,239,937
Offshore/Nearshore	1,003,767,084	1,079,937,411
Total revenue from operations	**1,030,297,916**	**1,112,177,348**

15.3 Reconciliation of revenue recognised with the contracted price is as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Contracted price	1,030,297,916	1,112,177,348
Reductions towards variable consideration components (discounts, rebate)	-	
Revenue recognised	**1,030,297,916**	**1,112,177,348**

15.4 Changes in Unearned revenues are as follows:

	December 31, 2024	**December 31, 2023**
Balance as at the beginning of the year	10,130,222	16,160,301
Revenue recognised during the year	(9,501,576)	(16,160,301)
Additions during the year	21,196,265	10,130,222
Balance as at the end of the year	**21,824,911**	**10,130,222**

15.5 Revenue by nature

	December 31, 2024	**December 31, 2023**
Revenue from contracts with customers	1,030,297,916	1,112,177,348
Other operating income		
	1,030,297,916	**1,112,177,348**

Hexaware Technologies Mexico, S. DE R.L. DE C.V. Company

(MXN, except share and per share data, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

16 Other income

	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest income	2,056,504	-
Profit / (loss) on disposal/writeoff of property, plant and equipment (net)	403,677	(111,719)
Exchange rate difference (net)	46,565,907	(32,051,333)
Miscellaneous income	102,124	9,262,473
Total	**49,128,212**	**(22,900,579)**

17 Employee benefits expense

	For the year ended December 31, 2024	For the year ended December 31, 2023
Salary and allowances	610,343,713	610,129,118
Contributions to provident and other funds	188,847,228	176,319,950
Staff welfare expenses	19,819,128	25,180,596
Total	**819,010,069**	**811,629,664**

18 Other expenses

	For the year ended December 31, 2024	For the year ended December 31, 2023
Rent	9,205,677	17,673,709
Rates and taxes	227,075	617,311
Travelling and conveyance	27,120,885	32,283,936
Electricity charges	492,393	632,779
Communication expenses	7,392,108	7,361,865
Repairs and maintenance	9,897,547	12,145,177
Printing and stationery	2,028,933	3,101,471
Payment to auditors	469,880	583,830
Legal and professional fees	3,361,555	2,964,398
Advertisement and business promotion	601,764	-
Bank and other charges	514,458	585,209
Insurance charges	212,763	-
Subcontracting charges	79,981,709	83,446,834
Allowance for doubtful debts (net of write back)	809,587	-
Staff recruitment expenses	5,993,666	1,775,330
Miscellaneous expenses	264,579	763,237
Total	**148,574,579**	**163,935,086**

19 Finance costs

	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest on lease liabilities	5,794,158	2,706,858
Total	**5,794,158**	**2,706,858**

Hexaware Technologies Mexico, S. DE R.L. DE C.V. Company

(MXN, except share and per share data, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

20 Earnings per share (EPS)

	For the year ended December 31, 2024	For the year ended December 31, 2023
The components of basic and diluted EPS:		
Net profit after tax	34,460,473	43,528,489
Weighted average outstanding equity shares considered for basic EPS	2	2
Basic earnings per share	17,230,237	21,764,244

21 Related party disclosures

Names of related parties	Country
Ultimate Holding Company and it's subsidiaries	
CA Magnum Holdings (w.e.f. November 11, 2021)	Mauritius
Holding Company (control exists)	
Hexaware Technologies Limited	India
Fellow Subsidiaries	
Hexaware Technologies Inc	USA
Mobiquity Inc	USA
Hexaware Technologies UK Limited	United Kingdom

B Key Management Personnel (KMP)

Mr. R. Srikrishna - Executive Director and CEO
Mr. Kalpesh Bhatt

Nature of transactions	Name of the Related party and Relationship	For the year ended December 31, 2024	For the year ended December 31, 2023
Software and consultancy income	Holding Company		-
	Fellow Subsidiaries	-	
	Hexaware Technologies Inc.	717,943,803	844,635,116
	Mobiquity Inc		
	Hexaware Technologies UK Ltd.	-	27,844
Recovery of cost from	Holding Company	-	-
	Fellow Subsidiaries		
	Hexaware Technologies Inc.	7,548,453.09	19,304,843

Outstanding Balances

Name of the Related party and Relationship		As at December 31, 2024	As at December 31, 2023
Trade and other receivable			
	Holding Company	84,827	56,443
	Fellow Subsidiaries:		
	Hexaware Technologies Inc.	231,908,110	216,487,383
	Hexaware Technologies UK Ltd.	-	27,844

Hexaware Technologies Mexico, S. DE R.L. DE C.V. Company

(MXN, except share and per share data, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

22 Financial instruments

(i) The carrying value / fair value of financial instruments (other than investment in subsidiaries and associates) by categories as at December 31, 2024 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	47,182,799	-	-	-	47,182,799
Trade receivables	326,246,336	-	-	-	326,246,336
Unbilled receivables	35,914,575	-	-	-	35,914,575
Other financial assets	8,052,457	-	-	-	8,052,457
Total	**417,396,167**	**-**	**-**	**-**	**417,396,167**
Deferred consideration towards business acquisition	-	-	-	-	-
Trade payables	13,268,032	-	-	-	13,268,032
Lease liabilities	40,432,284	-	-	-	40,432,284
Other financial liabilities	40,310,931	-	-	-	40,310,931
Total	**94,011,247**	**-**	**-**	**-**	**94,011,247**

(ii) The carrying value / fair value of financial instruments (other than investment in associate) by categories as at December 31, 2023 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	27,827,742	-	-	-	27,827,742
Trade receivables	260,074,037	-	-	-	260,074,037
Unbilled receivables	21,337,903	-	-	-	21,337,903
Other financial assets	12,739,665	-	-	-	12,739,665
Total	**321,979,347**	**-**	**-**	**-**	**321,979,347**
Trade payables	10,090,934	-	-	-	10,090,934
Lease liabilities	59,281,701	-	-	-	59,281,701
Other financial liabilities	39,881,796	-	-	-	39,881,796
Total	**109,254,431**	**-**	**-**	**-**	**109,254,431**

The tables below provide details of the contractual maturities of significant financial liabilities as at:

As at December 31, 2024

	Less than 1 year	1-5 years	Total
Trade payables	13,268,032	-	13,268,032
Lease liabilities	16,409,060	24,023,224	40,432,284
Others	40,310,931	-	40,310,931
Total	69,988,023	24,023,224	94,011,247

As at December 31, 2023

	Less than 1 year	1-5 years	Total
Trade payables	10,090,937	-	10,090,937
Lease liabilities	31,696,292	27,585,409	59,281,701
Others	39,881,796	-	39,881,796
Total	81,669,025	27,585,409	109,254,434

As at December 31, 2023

	Less than 1 year	1-5 years	Total
Trade payables	10,090,934	-	10,090,934
Lease liabilities	31,696,292	27,585,409	59,281,701
Others	39,881,796	-	39,881,796
Total	81,669,022	27,585,409	109,254,431

Notes

1 Carrying amount of cash and cash equivalents, other bank balances, trade receivables, unbilled revenue, loans, other financial assets, borrowings, deferred consideration, trade payables, lease liabilities and other financial liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant in each of the period presented.

Hexaware Technologies Mexico, S. DE R.L. DE C.V. Company

(MXN, except share and per share data, unless otherwise stated)
Notes forming part of Financial Statements for the year ended December 31, 2024

22 Financial Instruments (Cont'd)

22.2 Financial risk management

The Company has identified the risks under verticals like client concentration risk, credit risk, foreign currency fluctuation risk and liquidity risk. The Company has formulated policies, procedures and strategies for managing risks which is affirmed by management.

Client concentration risk

During the year ended December 31,2024, 93.07 % of the revenue for the year is generated from top 4 clients (December 31, 2023 - 95.12%). Any loss or major downsizing by these clients may impact Company's profitability. Further, excessive exposure to particular clients will limit Company's negotiating capacity and expose us to higher credit risk.

Credit risk

Since most of our transactions are done on credit, we are exposed to credit risk on accounts receivable. Any delay, default or inability on the part of the client to pay on time will expose us to credit risk and can impact our profitability. Our maximum credit exposure is in respect of trade receivables of MXN 326,246,336 and MXN 260,074,037 as at December 31, 2024 and 2023 respectively and unbilled revenue of MXN 35,014,675 and MXN 21,337,903 as at December 31, 2024 and 2023 .

Refer Note No.8 for the age wise analysis of trade receivables that are not due as well as past due.

Top 4 customer dues contribute 91.53% of the total outstanding as at December 31, 2024 (95.89% as at December 31, 2023)

Cash and cash equivalents include balance in current accounts only.

Foreign Currency fluctuations Risk

Foreign exchange fluctuations are one of the key risks impacting our business. Revenue remains exposed to the risk of MXN appreciation which is functional currency of the Company vs. the US Dollar, as largely, the costs incurred are in Mexican MXNs and the Revenue/ Inflows are in foreign currencies. The contracts we enter into with our customers tend to run across several years and most of these contracts are at fixed rates, any appreciation in the MXN vis-à-vis foreign currencies will affect our margins.

The following table analyses foreign currency risk from financial instruments

	2024		2023	
	USD	**EUR**	**USD**	**EUR**
Net financial assets	324,443,467	1,510,954	253,007,105	668,737
Net financial liabilities	87,117	-	121,903	-
Net assets/(liabilities)	**324,356,350**	**1,510,954**	**252,885,202**	**668,737**

10% depreciation/appreciation of the respective foreign currencies with respect to functional currency of the Company and its subsidiaries would result in the decrease/ increase in Company's profit before tax approximately by MXN 32,586,730 and MXN 25,355,394 for the year ended December 31, 2024 and December 31, 2023 respectively.

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

22.3 Liquidity risk

The Company needs continuous access to funds to meet short and long term strategic investment requirements. The Company's inability to meet such requirements in stipulated period may hamper growth plan and even ongoing operations. Further, the Company's inability to quickly convert assets into cash without incurring any appreciable loss will expose it to liquidity risks.

As at December 31, 2024, the Company had total cash / bank balance of MXN 47,182,799 which constitutes approximately 8.16% of total assets.

Hexaware Technologies Mexico, S. DE R.L. DE C.V. Company

(MXN, except share and per share data, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

23 Segments

There is only one reportable business segment viz software consultancy, the results of which are disclosed in the financial statements.

24 Employee benefits:

In 2024, the Company has recognized MXN 114,042,478 (Previous Year MXN 109,551,403) for employee benefit contributions towards Mexican Social Security Institute, Institute of the National Housing Found for workers and Retirement Found Administrators plan, in Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes and company has no further obligations under such schemes.

25 Material events after Balance Sheet date

There is no significant event after reporting date which requires amendments or disclosure to the financial statements.

26 Figures of Previous years are regrouped and reclassified wherever necessary

The accompanying notes 1 to 26 form an integral part of the Condensed interim standalone financial statements.

As per our report of even date attached

For JFZ Consulting Firm, S.C
Chartered Accountants

C.P.C. Javier Fuentes Zambrano
Partner

Place: Monterrey, N.L. Mexico
Date: January 25th, 2025

For and on behalf of the Board

Kalpesh Bhatt
Director

Place: New Jersey
Date: January 25th, 2025

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INDEPENDENT AUDITOR'S REPORT ON SPECIAL PURPOSE FINANCIAL STATEMENTS

To the Board of Directors of Hexaware Technologies Limited

Report on the Audit of the Special purpose Financial Statements

Opinion

We have audited the accompanying Special purpose Financial Statements of Mobiquity Inc (hereinafter referred to as "the Company"), which comprise the Special purpose balance sheet as at December 31, 2024, Special purpose statement of profit and loss (including other comprehensive income), Special purpose statement of cash flow and Special purpose statement of changes in equity for the year ended December 31, 2024, and related notes to the Special purpose Financial Statements, including a summary of significant accounting policies

The Special purpose Financial Statements have been prepared by management of the Company in accordance with significant accounting policies included in Hexaware Technologies Limited's (hereinafter referred to as "the Holding Company") financial statements for the year ended December 31, 2024, which are in accordance with Indian Accounting standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act").

However, these Special purpose Financial Statements do not include all the disclosures required by Ind AS or included in Holding Company's Ind AS financial statements and therefore cannot be said to be compliant with Ind AS in all respects.

In our opinion, the accompanying Special purpose Financial Statements of the Company for the year ended December 31, 2024 are prepared in all material respects, in accordance with the recognition and measurement principles used in Holding Company's financial statements for the year ended December 31, 2024.

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 Special purpose 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 the ethical requirements that are relevant to our audit of the Special purpose Financial Statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Restriction on Distribution and Use

The Special purpose Financial Statements have been prepared for the purpose of internal use of Holding Company. As a result, the Special purpose Financial Statements are not a complete set of financial statements of the Company in accordance with Ind AS. It should not be used by any other person or for any other purpose. BDO India LLP shall not be liable to the Company or to any other concerned person for any claims, liabilities or expenses relating to this audit report or Special purpose financial statements.

Responsibilities of Management and those charged with Governance for Special purpose Financial Statements

Management is responsible for the preparation of these Special purpose Financial Statements in accordance with the significant accounting policies included in Holding Company's Ind AS financial statements for the year ended December 31, 2024; and this includes design, implementation and maintenance of such internal control as management determines is necessary to enable the preparation of Special purpose Financial Statement that are free from material misstatement whether due to fraud or error.

In preparing the Special purpose Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating 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 doso.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special purpose 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 Special purpose 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 Special purpose 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 expressing our opinion on whether the Company has internal financial controls with reference to Special purpose Financial Statements in place and the operating effectiveness of such 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

Special purpose 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 Special purpose Financial Statements, including the disclosures, and whether the Special purpose Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

BDO India LLP

BDO India LLP
Place: Mumbai
Date: 26/02/2025

MOBIQUITY INC.

SPECIAL PURPOSE BALANCE SHEET AS AT DECEMBER 31, 2024

(Amount in USD unless otherwise stated)

	Notes	As at December 31, 2024	As at December 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	155,317	223,759
Right to use assets	4	-	677,993
Investments in subsidiaries		4,137,000	4,137,000
Financial assets			
Other financial assets	9	204,901	297,399
Deferred Tax Assets (Net)	5b	720,440	2,082,743
Total Non-current assets		**5,217,658**	**7,418,894**
Current assets			
Financial assets			
Trade receivables	6	13,314,653	12,574,086
Contract assets		-	25,898
Cash and cash equivalents	7	10,732,632	14,379,534
Loans and advances	8	20,959,945	16,548,808
Other financial assets	9	116,142	-
Advance tax assets (Net)		269,872	87,671
Other current assets	10	252,543	486,031
Total Current assets		**45,645,787**	**44,102,028**
Total Assets		**50,863,445**	**51,520,922**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	10	10
Other equity	12	47,432,881	44,812,709
Total equity		**47,432,891**	**44,812,719**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	13	38,078	257,190
Other non-current liabilities	17	50,000	50,000
Total non-current liabilities		**88,078**	**307,190**
Current liabilities			
Financial liabilities			
Lease liabilities	13	219,112	484,887
Trade payables	14	396,919	2,296,265
Other financial liabilities	15	2,143,020	2,829,996
Provisions	16	346,996	452,565
Other current liabilities	17	236,429	337,300
Total current liabilities		**3,342,476**	**6,401,013**
Total liabilities		**3,430,554**	**6,708,203**
Total equity and liabilities		**50,863,445**	**51,520,922**

The accompanying notes form an integral part of the Special purpose Financial Statements.

As per our report of even date
For BDO India LLP

BDO India LLP

Place: Mumbai
Date: 26 February 2025

For and on behalf of the Board
Mobiquity Inc.

R. Srikrishna
Director

Place: New Jersey
Date: 26 February 2025

MOBIQUITY INC.

SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED DECEMBER 31, 2024

(Amount in USD unless otherwise stated)

	Notes	For the year ended December 31, 2024	For the year ended December 31, 2023
Income			
Revenue from operations	18	40,087,700	59,222,215
Other income	19	1,468,180	1,144,440
Total income		**41,555,880**	**60,366,655**
Expenses			
Software and development expenses	20	11,086,889	13,455,664
Employee benefits expense	21	24,291,380	30,925,435
Finance costs	22	70,802	72,073
Depreciation/amortization expenses	23	127,169	582,360
Impairment loss recognised/(reversed) on financial asset	24	666,455	(4,524)
Other expenses	25	1,246,963	2,173,116
Total expenses		**37,489,658**	**47,204,124**
Profit before tax		**4,066,222**	**13,162,531**
Tax expense			
Current tax	5a	83,747	276,792
Deferred Tax (credit)	5b	1,362,303	257,257
Total tax expense		**1,446,050**	**534,049**
Profit for the year		**2,620,172**	**12,628,482**
Other comprehensive income for the year		-	-
Total Comprehensive income for the year		**2,620,172**	**12,628,482**
Earnings per share (Face Value USD 0.001 per share)			
Basic and diluted earnings per share (USD)	26	262.02	1,262.85

The accompanying notes form an integral part of the Special purpose Financial Statements.

As per our report of even date
For BDO India LLP

BDO India LLP

BDO INDIA LLP

Place: Mumbai
Date: 26 February 2025

For and on behalf of the Board
Mobiquity Inc.

R. Srikrishna
Director

Place: New Jersey
Date: 26 February 2025

MOBIQUITY INC.
SPECIAL PURPOSE STATEMENT OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31, 2024
(Amount in USD unless otherwise stated)

	For the year ended December 31, 2024	For the year ended December 31, 2023
A. Cash flow from operating activities		
Profit before tax	4,066,222	13,162,531
Adjustments for:		
Interest income from Loan	(1,171,624)	(455,178)
Depreciation expenses	127,169	582,360
Finance cost	70,802	72,073
Impairment Loss recognised/(reversed)	666,455	(4,524)
Operating profit before working capital changes	**3,759,024**	**13,357,262**
Changes in working capital		
(Decrease)/Increase in trade payables	(1,899,346)	473,960
Decrease in other liabilities	(893,415)	(690,513)
Increase in provision	11,539	-
(Increase)/Decrease in trade receivables	(740,567)	1,771,073
Decrease in contract assets	25,898	-
(Increase)/Decrease in other financial assets	(23,644)	207,492
Decrease in other current assets	233,488	435,829
Net Changes in working capital	**(3,286,047)**	**2,197,841**
Income tax paid	(265,948)	(429,208)
Net cash generated from operating activities (A)	**207,029**	**15,125,895**
B. Cash flow from Investing activities		
Payment for purchase of property, plant and equipment	(58,727)	(128,996)
Decrease in Financial assets- Loans (Net)	(3,239,514)	(12,093,630)
Net cash used in investing activities (B)	**(3,298,241)**	**(12,222,626)**
C. Cash flow from Financing activities		
Lease Liability payment	(513,454)	(511,164)
Finance cost	(42,236)	(25,263)
Net cash used in financing activities (C)	**(555,690)**	**(536,427)**
Net decrease/increase in cash and cash equivalents (A+B+C)	(3,646,902)	2,366,842
Cash and cash equivalents at the beginning of the year	14,379,534	12,012,692
Cash and cash equivalents at the end of the year	**10,732,632**	**14,379,534**
Cash and cash equivalents comprise (Refer Note 7)		
Balances with banks		
On current accounts	10,732,632	14,379,534
Total cash and cash equivalents at end of the year	**10,732,632**	**14,379,534**

The accompanying notes form an integral part of the Special purpose Financial Statements.

As per our report of even date
For BDO India LLP

BDO India LLP

Place: Mumbai
Date: 26 February 2025

For and on behalf of the Board
Mobiquity Inc.

R. Srikrishna
Director

Place: New Jersey
Date: 26 February 2025

MOBIQUITY INC.

SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2024

(Amount in USD unless otherwise stated)

(A) Equity Share Capital

Particulars	Note	Total
Balance as at January 1, 2024		**10**
Changes in equity share capital	11	
Balance as at December 31, 2024		**10**

Particulars	Note	Total
Balance as at January 1, 2023		**10**
Changes in equity share capital	11	-
Balance as at December 31, 2023		**10**

(B) Other equity

Particulars	Additional paid in capital	Retained earnings	Total
Balance as at January 1, 2024	**10,512,182**	**34,300,527**	**44,812,709**
Profit for the year	-	2,620,172	2,620,172
Balance as at December 31, 2024	**10,512,182**	**36,920,699**	**47,432,881**

Particulars	Additional paid in capital	Retained earnings	Total
Balance as at January 1, 2023	**10,512,182**	**21,672,045**	**32,184,227**
Profit for the year	-	12,628,482	12,628,482
Balance as at December 31, 2023	**10,512,182**	**34,300,527**	**44,812,709**

As per our report of even date
For BDO India LLP

BDO India LLP

Place: Mumbai
Date: 26 February 2025

For and on behalf of the Board
Mobiquity Inc.

R. Srikrishna
Director

Place: New Jersey
Date: 26 February 2025

MOBIQUITY INC.

NOTES FORMING PART OF SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

1 Corporate Information

Mobiquity Inc. (“Mobiquity” or "the Company”) is a Delaware corporation incorporated on November 17, 2010. The Company is headquartered in Waltham, Massachusetts, and operates in the United States. The Company delivers effortless digital experiences spanning mobile, web, voice and internet of things on behalf of leading enterprise brands. It provides strategy, experience design, product engineering, cloud and analytics services to help clients drive deeper digital engagement and improve loyalty, under both fixed price and 'time and materials' arrangements.

On June 13, 2019, Hexaware Technologies Inc, USA ('Hexaware' or the 'Holding Company'), acquired 100% shareholding of the Company along with its subsidiaries. Consequent to acquisition of 100% shareholding, the Company became wholly owned subsidiary of Hexaware. Hexaware is a leading Global IT consulting and digital solutions Company. The acquisition was routed by incorporating a new entity - Montana Merger Sub Inc. Mobiquity Inc. subsequently merged into , Montana Merger Sub Inc. which was subsequently renamed back to Mobiquity Inc. Consequent this, Mobiquity Inc. became wholly owned subsidiary of Hexaware. These standalone financial statements have been prepared as if it is a continuation of the erstwhile Mobiquity Inc.

2 Material Accounting Policies

2.1 Basis of preparation and presentations

The Special Purpose Standalone Financial Statements ('Financial statements') are prepared solely for inclusion in Consolidated financial statement of Hexaware Technologies Limited ('Holding Company').

The financial statements comply in all material aspects with respect to recognition and measurement requirements of ultimate Holding company's accounting policies. Ultimate Holding company's accounting policies are in accordance with 'Indian Accounting standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. These financial statements do not include all required notes and disclosures as required under Ind AS,accordingly these financial statements cannot be construed as in compliance with Ind AS to that extent.

The Company prepares its financial statements for their local reporting in accordance with generally accepted accounting principles in United States ('US GAAP') set by the Financial Accounting Standards Board ('FASB') (referred to as "US GAAP financial statements"). The management of the Company has compiled the Special Purpose Standalone Financial Statements using the US GAAP Financial Statements and after incorporating required adjustments for GAAP differences between US GAAP and Ind AS applicable to the Company. The Company will continue reporting under applicable US GAAP for their local reporting.

These financial statements are prepared on historical cost basis, except for certain financial instruments which are measured at fair values as explained in the accounting policies below.

These financial statements have been prepared in United State Dollars (USD) which is the functional currency of the Company.

All assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

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2.2 Critical accounting judgements and key source of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expense, assets and liabilities and disclosures relating to contingent liabilities on the date of the financial statements. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the period in which the estimate is revised and in any future period affected.

Key source of estimation uncertainty which may cause material adjustments:

(i) Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts expended to date as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Revenue from related parties on account of resource sharing : Revenue is billed to related parties after adding of a mark up percentage over cost incurred by the Company. The mark up is as per transfer pricing regulations applicable to the Company which suitably demonstrates the arm's length price.

(ii) Income-tax

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax asset on unrecognised tax benefits. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

(iii) Others

Others areas involving estimates relates useful lives of Property, Plant and Equipment.

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2.3 Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the company expects to receive in exchange for those products or services.

In case of contract on time and material basis, transaction-based or volume-based contracts, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognized using percentage of completion method. The company uses the efforts expended to date as a proportion to the total efforts to be expended as a basis to measure the degree of completion. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated. Amount received or billed in advance of services performed are recorded as Contract liability. Contract assets represents revenue recognized based on services performed in advance of billing in accordance with contract terms.

Revenues related to fixed-price maintenance, testing and business process services are recognized based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognized as the service is performed using the percentage of completion method.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

2.4 Leases - Ind AS 116

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use asset is determined on the same basis as those of property, plant and equipment. Right-of-use asset are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

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The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an rent expense on a straight-line basis over the lease term.

2.5 Functional and presentation currency

Foreign currency

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rate prevailing on the date of the Balance Sheet. The resulting exchange difference on such restatement and settlement is recognized in the profit or loss, except exchange differences on transactions entered into in order to hedge certain foreign currency risk.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date of Balance Sheet. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. Items in the statement of profit or loss have been translated using average exchange rates. Translation adjustments have been reported as foreign currency translation reserve in Other comprehensive income.

2.6 Borrowing Cost

Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss.

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2.7 Employee Benefits

a) **Post-employment benefits and other long term benefit plan**
Payments to defined contribution retirement schemes are recognised as an expense when the employees have rendered service entitling them to such benefits.

b) **Short term employee benefit**
The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period when the employee renders those services. These benefits include compensated absences such as leave expected to be availed within a year, statutory employee profit sharing and bonus payable.

2.8 Share based compensation
Equity settled share based payments to employees and directors are measured at the fair value of the equity instruments at the grant date which is recognised over the vesting period based on periodic estimate of the equity instruments that will eventually vest, with the corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest with impact of revision recognised in the profit or loss such that the cumulative expense reflects the revised estimates, with a corresponding adjustment to share option outstanding account.

Employees of the Company are granted share based payments of the Ultimate Holding company. The Ultimate Holding Company makes recharge for these share based payment to the Company during the vesting period. The Ultimate Holding Company determines the amount for recharge for the period based on total cost expected over the entire life, spread proportionately over vesting period. The recharge during the period by the Ultimate Holding company are recognised as employees expenses.

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2.9 Taxes on Income

Income tax expense comprises of current tax and deferred tax. Current and deferred tax are recognised in net income, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax is measured at the amount expected to be paid or recovered from tax authorities using enacted or substantively enacted tax rates.

Deferred taxes are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profits, except when the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profit at the time of the transaction.

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

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

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Advance taxes and provisions for current income taxes as well as deferred tax assets and liabilities are presented in the Balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the entity intends to settle the asset and liability on a net basis.

2.10 Property, plant and equipment (PPE)

PPE are stated at cost of acquisition less accumulated depreciation and impairment loss, if any.

Depreciation

Depreciation is provided on straight-line method based on the estimated useful lives of the assets as determined based on the expert technical advice / stipulation of Schedule II of the Companies Act 2013:

Asset Class	Estimated useful Life
IT Equipments	3 years
Office Equipment	3-5 years
Furniture and Fixtures	3-5 years

Leasehold improvements and leasehold equipments are amortised over the lease period or useful life of an asset whichever is less.

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

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2.11 Impairment

a) Financial assets (other than at fair value)

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired under Ind AS 109.

"Financial Instrument" requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses. if the credit risk on the financial asset has increased significantly since initial recognition.

b) Non-financial assets

At the end of each reporting period, the Company assesses whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs or allocated. Impairment loss is charged to the profit or loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.12 Provisions and contingent liabilities

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the Company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

Onerous Contracts

A contract is considered as onerous when the expected economic benefits to be derived by the company from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

2.13 Non derivative financial instruments

Financial assets and liabilities are recognised when Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from fair value measured on initial recognition of financial asset or financial liability.

a) Financial assets and financial liabilities – subsequent measurement

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held with a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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(ii) **Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held with a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) **Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

(iv) **Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(v) **Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company’s procedures for recovery of amounts due.

(vi) **Derecognition of financial assets**

A financial asset is derecognised only when
a) the rights to receive cash flows from the financial asset is transferred or expired
b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognised only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.
Where the financial asset is neither transferred, nor the entity retains substantially all risks and rewards of ownership of the financial asset, then in that case financial asset is derecognized only if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

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(vii) **Investment in subsidiaries**

Investment in subsidiaries is carried at cost less impairment, if any.

(viii) **Financial liabilities**

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

(ix) **Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

x) **Embedded derivatives**

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cashflows are solely payment of principal and interest.

Derivatives embedded in all other host contracts are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risk of the host and are measured at fair value through profit or loss. Embedded derivative closely related to host contracts are not separated.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

xi) **Derivative financial Instruments**

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(xii) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where 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 assets and settle liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

b) Share capital

Equity shares

Incremental costs directly attributable to the issue or re-purchase of equity shares, net of any tax effects, are recognised as a deduction from equity.

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2.14 Fair value measurement

The Company measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or

► In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

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

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

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

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

2.15 Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

2.16 Earnings per share ('EPS')

a) Basic EPS are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

b) The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.17 Employee Stock Option

The Holding company Hexaware Technologies Limited has granted ESOP to employees of the Company. The said grants allowed eligible employee to opt for one share of Hexaware Technologies Limited for each option held upon vesting which could be time based, performance based or event based. The exercise price for the option is INR 382.5 per share, weighted average estimated fair value is approximately INR 65.87 per option and remaining weighted average life is approximately 72 months.

The Company has recognized USD 53,462 as estimated cost for such ESOPs granted in the statement of profit and loss during the year ended December 31, 2024. The above cost is arrived based on graded vesting method.

2.18 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended December 31,2024 MCA has notified Ind AS 117 – Insurance Contracts applicable to the Company w.e.f. January 1, 2025. The Company has reviewed the new standard and based on its evaluation has determined that it does not have any significant impact in its financial information.

2.19 Previous year amounts have been reclassified for consistency with to confirm to the current year (2024) presentation

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3 PROPERTY, PLANT AND EQUIPMENT

Particulars	Furniture and Fixtures	Office Equipment	IT Equipments	Leasehold improvements	Total
As at January 1, 2024	**262,558**	**145,626**	**1,490,000**	**126,726**	**2,024,910**
Additions	-	-	58,727	-	**58,727**
Disposals	-	-	-	-	**-**
As at December 31, 2024	**262,558**	**145,626**	**1,548,727**	**126,726**	**2,083,637**
As at January 1, 2023	262,558	145,626	1,361,004	126,726	**1,895,914**
Additions	-	-	128,996	-	**128,996**
Disposals	-	-	-	-	**-**
As at December 31, 2023	**262,558**	**145,626**	**1,490,000**	**126,726**	**2,024,910**
<u>Accumulated depreciation</u>					
As at January 1, 2024	262,453	145,626	1,272,181	120,891	**1,801,151**
Charge for the year	105	-	121,229	5,835	**127,169**
Disposals	-	-	-	-	-
As at December 31, 2024	**262,558**	**145,626**	**1,393,410**	**126,726**	**1,928,320**
As at January 1, 2023	258,583	145,626	1,144,052	115,079	**1,663,340**
Charge for the year	3,870	-	128,129	5,812	**137,811**
Disposals	-	-	-	-	-
As at December 31, 2023	**262,453**	**145,626**	**1,272,181**	**120,891**	**1,801,151**
<u>Net Carrying amount</u>					
As at December 31, 2024	-	-	155,317	-	155,317
As at December 31, 2023	105	-	217,819	5,835	223,759

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4 RIGHT TO USE ASSETS

Particulars	Office premises	Total
Carrying amount as at January 1, 2024	677,993	677,993
Less: Impairment for the year	(677,993)	(677,993)
Carrying amount as at December 31, 2024	-	-
Carrying amount as at January 1, 2023	509,182	509,182
Additions during the year	613,359	613,359
Less: Depreciation for the year	(444,548)	(444,548)
Carrying amount as at December 31, 2023	**677,993**	**677,993**

5 DEFERRED TAXES & INCOME TAXES

5a The Company's income tax expense consists of the following:

Particulars	As at December 31, 2024	As at December 31, 2023
Current Tax	83,747	276,792
Deferred Tax	1,362,303	257,257
Income Tax Expense	**1,446,050**	**534,049**

5b Deferred taxes for the year ended December 31, 2024 arising from temporary differences and unused tax losses can be summarized below:

Particulars	Opening Balance as on 1st Jan 2024	Recognized in statement of income	Closing balance as on 31st December 2024
Deferred tax assets			
On NOL	1,477,906	(833,052)	644,854
On M1 Adjustment	604,837	(529,251)	75,586
Total deferred tax assets	**2,082,743**	**(1,362,303)**	**720,440**
Total deferred tax liabilities	**-**	**-**	**-**
Net deferred tax assets/(liabilities)	**2,082,743**	**(1,362,303)**	**720,440**

5b Deferred taxes for the year ended December 31, 2023 arising from temporary differences and unused tax losses can be summarized below:

Particulars	Opening Balance as on 1st Jan 2023	Recognized in statement of income	Closing balance as on 31st December 2023
Deferred tax assets			
On NOL	2,340,000	(862,094)	1,477,906
On M1 Adjustment	-	604,837	604,837
Total deferred tax assets	**2,340,000**	**(257,257)**	**2,082,743**
Total deferred tax liabilities	**-**	**-**	**-**
Net deferred tax assets/(liabilities)	**2,340,000**	**(257,257)**	**2,082,743**

5c *The company has total net DTA valuing 720,440 out of which 644,854 pertains to DTA on unabsorbed Net operating losses of USD 2,978,403 as at 31 December2024 which it has created on the premise of revival of economy and the profit generating ability since past few year and remaining 75,586 is on account of timing difference (M-1 Adjustment).*

6 TRADE RECEIVABLES (UNSECURED)

Particulars	As at December 31, 2024	As at December 31, 2023
Considered good*	13,314,653	12,574,086
Credit Impaired	24,113	36,446
	13,338,766	**12,610,532**
Less : Allowance for expected credit losses	(24,113)	(36,446)
Total	**13,314,653**	**12,574,086**

* Including Receivable from related party (Refer Note 29c) 8,516,189 8,026,802

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7 CASH AND CASH EQUIVALENTS

Particulars	As at December 31, 2024	As at December 31, 2023
Balances with banks		
On current accounts	10,732,632	14,379,534
Total	**10,732,632**	**14,379,534**

8 FINANCIAL ASSET-LOANS AND ADVANCES

Particulars	As at December 31, 2024		As at December 31, 2023	
	Non current	Current	Non current	Current
Unsecured				
Financial assets at amortised cost :				
Receivable from related parties (Refer Note 29)				
Loan to Holding company (Including accrued interest)	-	15,082,044	-	9,455,178
Loan to subsidiary	-	5,877,901	-	7,093,630
Total	**-**	**20,959,945**	**-**	**16,548,808**

9 OTHER FINANCIAL ASSETS

Particulars	As at December 31, 2024		As at December 31, 2023	
	Non current	Current	Non current	Current
Unsecured				
Financial assets at amortised cost :				
Security Deposit	54,901	-	54,901	-
Deposits with bank	150,000	-	150,000	-
Restricted Cash (including margin money)	-	94,934	92,498	-
Interest Receivable	-	21,208	-	-
Total	**204,901**	**116,142**	**297,399**	**-**

10 Other current assets

Particulars	As at December 31, 2024		As at December 31, 2023	
	Non current	Current	Non current	Current
Advance to suppliers	-	24,649	-	-
Prepaid Expenses	-	227,894	-	486,031
Total	**-**	**252,543**	**-**	**486,031**

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11 SHARE CAPITAL

Particulars	As at December 31, 2024	As at December 31, 2023
Issued, Subscribed and paid up		
10,000 Equity Shares of USD 0.001/- each, fully paid-up	10	10
Total	**10**	**10**

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at December 31, 2024		As at December 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Outstanding as on beginning of the year	10,000	10	10,000	10
Outstanding as on end of the year	10,000	10	10,000	10

(b) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at December 31, 2024		As at December 31, 2023	
Name of the shareholder	No. of shares	% of holding	No. of shares	% of holding
Hexaware Technologies Inc.	10,000	100%	10,000	100%

12 OTHER EQUITY

Particulars	As at December 31, 2024	As at December 31, 2023
Retained earnings	36,920,699	34,300,527
Additional paid in capital	10,512,182	10,512,182
Total Other Equity	**47,432,881**	**44,812,709**

(a) Retained earnings

Particulars	As at December 31, 2024	As at December 31, 2023
Opening Balance as on beginning of the year	34,300,527	21,672,045
Add: Net profit for the year	2,620,172	12,628,482
Closing Balance as on end of the year	**36,920,699**	**34,300,527**

(b) Additional paid in capital

Particulars	As at December 31, 2024	As at December 31, 2023
Opening Balance as on beginning of the year	10,512,182	10,512,182
Movement during the period	-	-
Closing Balance as on end of the year	**10,512,182**	**10,512,182**

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13 LEASE LIABILITIES

Particulars	As at December 31, 2024		As at December 31, 2023	
	Non current	Current	Non current	Current
Lease Liabilities	38,078	219,112	257,190	484,887
Total	**38,078**	**219,112**	**257,190**	**484,887**

a) Movement of lease liabilities

Particulars	As at December 31, 2024	As at December 31, 2023
Opening Balance	742,077	593,072
Add: Additions	-	613,359
Add: Interest expenses	28,566	46,810
Less: Lease payments	(513,453)	(511,164)
Closing Balance	**257,190**	**742,077**

14 TRADE PAYABLES

Particulars	As at December 31, 2024	As at December 31, 2023
Trade payables*	396,919	2,296,265
Total	**396,919**	**2,296,265**

*** Including payable to related party (Refer Note 29c)**	-	1,654,811

15 OTHER FINANCIAL LIABILITIES

Particulars	As at December 31, 2024		As at December 31, 2023	
	Non-current	Current	Non-current	Current
Accrued employee benefit expenses	-	2,143,020	-	2,829,996
Total	**-**	**2,143,020**	**-**	**2,829,996**

16 PROVISIONS

Particulars	As at December 31, 2024		As at December 31, 2023	
	Non-current	Current	Non-current	Current
Provision for leave encashment	-	346,996	-	452,565
Total	**-**	**346,996**	**-**	**452,565**

17 OTHER LIABILITIES (NON-FINANCIAL)

Particulars	As at December 31, 2024		As at December 31, 2023	
	Non-current	Current	Non-current	Current
Statutory dues payable	50,000	182,967	50,000	223,403
Contract Liability	-	-	-	113,897
Employee stock option compensation cost (Refer note no. 29c)	-	53,462	-	-
Total	**50,000**	**236,429**	**50,000**	**337,300**

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18 REVENUE FROM OPERATIONS

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Sale of services	40,087,700	59,222,215
Total	**40,087,700**	**59,222,215**

19 OTHER INCOME

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Intercompany Tech support income	-	98,398
Interest income on Loan from related party	1,171,624	457,412
Interest Income from Bank	295,157	-
Other miscellaneous income	1,399	-
Foreign Exchange Gain	-	588,630
Total	**1,468,180**	**1,144,440**

20 SOFTWARE AND DEVELOPMENT EXPENSES

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Software expenses	11,086,889	13,455,664
Total	**11,086,889**	**13,455,664**

21 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Salaries, wages and bonus	24,237,918	30,919,266
Employee stock option compensation cost	53,462	6,169
Total	**24,291,380**	**30,925,435**

22 FINANCE COSTS

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest expense		
- On Others	42,236	25,263
- On lease liability	28,566	46,810
Total	**70,802**	**72,073**

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23 DEPRECIATION EXPENSES

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Depreciation on Property, Plant and Equipment	127,169	137,812
Depreciation on right to use of assets	-	444,548
Total	**127,169**	**582,360**

24 IMPAIRMENT LOSS RECOGNISED/(REVERSED)

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Impairment on right to use of assets	677,994	-
Allowances for expected credit loss	(11,539)	(4,524)
Total	**666,455**	**(4,524)**

25 OTHER EXPENSES

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Rent	-	31,038
Communication expenses	66,601	149,939
Travelling and conveyance	282,516	373,016
Professional fees	134,932	503,615
Insurance Charges	190,498	201,906
Marketing and advertising expenditure	46,341	163,604
Recruiting Expense	49,192	174,762
Foreign Exchange loss	308,644	295,197
Miscellaneous expenses	168,239	280,039
Total	**1,246,963**	**2,173,116**

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26 EARNING PER SHARE (EPS)

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Profit attributable to equity holders	2,620,172	12,628,482
Number of Equity Shares of the year	10,000	10,000
Weighted average number of Equity Shares for basic and diluted EPS	10,000	10,000
Basic and Diluted Earnings per share of face value USD 0.001 per share	262.02	1,262.85

27 LEASES

Company has entered into non cancellable commercial lease agreements in respect of corporate offices. The lease term ranges between 36 to 84 months.The aggregate depreciation and impairment expense on right of use assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

28 CONTINGENT LIABILITY AND COMMITMENTS

There are no contingent liabilities or commitments as at December 31, 2024.

29 RELATED PARTY DISCLOSURES

(a) Names of related parties where control exists and transactions have occurred :

Name of Related Party	Nature of Relationship
Hexaware Technologies Limited, India	Ultimate holding company
Hexaware Technologies Inc., USA	Holding company
Hexaware Technologies UK Limited	Intermediate holding company
Mobiquity Consulting, B.V. (erstwhile known as Morgan Clark & Co., B.V., Netherlands)	Stepdown Subsidiary
Mobiquity B.V., Netherlands	Stepdown Subsidiary
Mobiquity Velocity Solutions Inc., USA	Subsidiary
Mobiquity Softech Private Limited, India	Fellow subsidiary

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(b) Details of transactions with related party in the ordinary course of business:

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue from operations		
Mobiquity B.V., Netherlands (Net)	426,399	1,760,645
Hexaware Technologies Limited, India	3,799,437	3,054,275
Hexaware Technologies Inc., USA	135,902	1,288,108
Hexaware Technologies UK Limited	14,188	51,316
Expenses for the period		
Mobiquity Consulting, B.V. (erstwhile known as Morgan Clark & Co., B.V., Netherlands)	(21,670)	(86,810)
Mobiquity Softech Private Limited, India	(2,467,047)	(8,903,552)
Hexaware Technologies Limited, India	(5,108,607)	(72,185)
Hexaware Technologies Inc., USA	(29,837)	(21,940)
Loan and Advances given		
Mobiquity B.V., Netherlands	(1,000,000)	(7,093,630)
Hexaware Technologies Inc.	(15,000,000)	(5,000,000)
Loan repaid		
Mobiquity B.V., Netherlands	2,576,650	-
Hexaware Technologies Inc., USA	9,000,000	-
Interest on Loan		
Mobiquity B.V., Netherlands	454,551	
Hexaware Technologies Inc., USA	717,074	(455,178)
Share based payment expenses		
Hexaware Technologies Limited, India	(53,462)	(6,169)

c) Outstanding balances

Particulars	As at December 31, 2024	As at December 31, 2023
Loans & Advances (Note 8)		
Receivable from Holding company		
Hexaware Technologies Inc., USA	15,082,044	9,455,178
Receivable from Subsidiary		
Mobiquity B.V., Netherlands	5,877,901	7,093,630
Trade Receivables (Note 6)		
Receivables from other parties		
Mobiquity B.V., Netherlands	4,817,990	4,605,998
Mobiquity Velocity Solutions Inc., USA	2,060,248	2,060,248
Hexaware Technologies Limited, India	1,637,951	1,287,230
Hexaware Technologies UK Limited	-	9,113
Hexaware Technologies Inc., USA	-	64,213
Trade Payables (Refer note 14)		
Payable to Related Parties		
Mobiquity Consulting, B.V. (erstwhile known as Morgan Clark & Co., B.V., Netherlands)	-	22,278
Mobiquity Softech Private Limited, India	-	1,632,533
Other Payables (Refer note 17)		
Hexaware Technologies Limited, India	53,462	-

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30 CATEGORIES OF FINANCIAL INSTRUMENTS

Particulars	As at December 31, 2024	As at December 31, 2023
A) Financial assets		
Non-Current		
Measured at amortised cost		
Other financial assets	204,901	297,399
Sub-Total	**204,901**	**297,399**
Current		
Measured at amortised cost		
Trade receivables	13,314,653	12,574,086
Contract assets *	-	25,898
Cash and Cash equivalents	10,732,632	14,379,534
Financial assets- Loans	20,959,945	16,548,808
Other financial assets	116,142	-
Sub-Total	**45,123,372**	**43,528,326**
b) Financial assets measured at fair value through Profit & Loss		
Current		
Sub-Total	**45,123,372**	**43,528,326**
Total Financial Assets	**45,328,273**	**43,825,725**

Particulars	As at December 31, 2024	As at December 31, 2023
B) Financial liabilities		
Measured at amortised cost		
Non-Current		
Lease Liabilities	38,078	257,190
Other financial liabilities		
Sub-Total	**38,078**	**257,190**
Current		
Measured at amortised cost		
Lease Liabilities	219,112	484,887
Trade Payables	396,919	2,296,265
Contract liabilities	-	-
Other financial liabilities	2,143,020	2,829,996
Sub-Total	**2,759,051**	**5,611,148**
Total Financial Liabilities	**2,797,129**	**5,868,338**

***** The Company has satisfied its performance obligations but has not yet issued the invoice. The Company has an unconditional right to consideration before it invoices its customers.

Carrying amount of cash and cash equivalents, trade receivables, contract asset, trade payables as well as other financial assets and liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant.

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31 FINANCIAL RISK MANAGEMENT

The Board of Directors has overall responsibility for determining the type and level of business risks that the company undertakes to achieve its corporate objectives. The board of directors is accountable for maintaining an effective control environment that reflects established risks appetite and business objectives.
The Board of director's policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered, and emerging best practices. The company's activities expose it to the following risks: market risk, credit risk and liquidity risk.

a) Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk.

Interest rate risk
The company is not exposed to interest rate risk as the company does not have borrowings and is financed by own capital or capital from parent company.

Foreign currency risk
Company is not exposed to foreign currency risk as transactions are mainly denominated in USD, which is its functional currency.

b) Credit risk
Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers.

(i) Cash and cash equivalents
Credit risk from balances with banks/financial institutions is considered nil, since the counterparty is a reputable bank with high quality external credit rating. Based on assessment carried by the company, entire receivable under this category is classified as "Stage 1".

(ii) Trade receivables (including contract asset)
The company applies the Ind AS 109 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance (ECL) for Trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The company's trade receivable are having short credit period and historically majority of trade receivables are recovered within short span of time.

Specific provision may be required due to any reasons such as credit deterioration, etc. Trade receivable under specific provision cases, are assessed individually.

i) The maximum exposure to credit risk is presented in the table below:

Particulars	As at December 31, 2024		
	Gross carrying amount	Credit loss allowance	Amortised cost
Trade receivables	13,338,766	(24,113)	13,314,653
Total	**13,338,766**	**(24,113)**	**13,314,653**

Particulars	As at December 31, 2023		
	Gross carrying amount	Credit loss allowance	Amortised cost
Trade receivables	12,610,532	(36,446)	12,574,086
Total	**12,610,532**	**(36,446)**	**12,574,086**

ii) Ageing Analysis of trade receivables:

Particulars	As at December 31, 2024			
	Not due	Due less than 180 days	Due more than 180 days	Total
Trade receivables	4,091,007	2,326,366	6,921,392	13,338,766
Less: Loss allowance		(23,897)	(216)	(24,113)
Total	**4,091,007**	**2,302,469**	**6,921,176**	**13,314,653**

Particulars	As at December 31, 2023			
	Not due	Due less than 180 days	Due more than 180 days	Total
Trade receivables	1,288,574	4,655,656	6,666,302	12,610,532
Less: Loss allowance	-	(36,446)	-	(36,446)
Total	**1,288,574**	**4,619,210**	**6,666,302**	**12,574,086**

iii) Set out below is the movement in the allowance for expected credit losses of trade receivables:

Particulars	As at December 31, 2024	As at December 31, 2023
Balance at the beginning of the period	36,446	40,970
Expense/(reversal) for the period	(12,333)	(4,524)
Balance at the end of the period	**24,113**	**36,446**

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iv) Other financial assets

Other financial assets mainly includes security deposit, deposit with banks etc. Based on assessment carried by the company, entire receivable under this category is classified as "Level 1". There is no history of loss and credit risk from other financial assets. Therefore credit risk from remaining other financial assets is not material and hence considered Nil.

Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity 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.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments"

As at December 31, 2024	Less than 1 Year	1 to 5 years	More than 5 years	Total
Liabilities				
Lease Liabilities	228,356	38,192	-	266,548
Trade payables	396,919	-	-	396,919
Contract liabilities	-	-	-	-
Other financial liabilities	2,143,020	-	-	2,143,020

As at December 31, 2023	Less than 1 Year	1 to 5 years	More than 5 years	Total
Liabilities				
Lease Liabilities	484,887	257,190	-	742,077
Trade payables	2,296,265	-	-	2,296,265
Other financial liabilities	2,829,996	-	-	2,829,996

32 CAPITAL MANAGEMENT

Company's objectives when managing capital is to maintain optimal capital structure to continue to provide for adequate capital in the business, returns for shareholders and benefits for other stakeholders in form of dividends, return of capital or issue of new shares.

33 Employee Stock Option

The Holding company Hexaware Technologies Limited has granted ESOP to employees of the Company. The said grants allowed eligible employee to opt for one share of Hexaware Technologies Limited for each option held upon vesting which could be time based, performance based or event based. The exercise price for the option is INR 382.5 per share, weighted average estimated fair value is approximately INR 65.87 per option and remaining weighted average life is approximately 72 months.

The Company has recognized USD 53,462 as estimated cost for such ESOPs granted in the statement of profit and loss during the year ended December 31, 2024. The above cost is arrived based on graded vesting method.

34 RECLASSIFICATION OF PREVIOUS YEAR PRESENTATION

Ceratin previous year amounts have been reclassified for consistency with to confirm to the current year (2024) presentation.

35 MATERIAL EVENTS AFTER BALANCE SHEET DATE

There is no significant event after reporting date which require adjustment or disclosure to the Financial Statements.

36 FINANCIAL STATEMENT APPROVAL

These Financial Statements have been approved and authorised by the Board on 26 February 2025

As per our report of even date
For BDO India LLP

BDO India LLP

Place: Mumbai
Date: 26 February 2025

BDO INDIA LLP

For and on behalf of the Board
Mobiquity Inc.

R. Srikrishna
Director

Place: New Jersey
Date: 26 February 2025

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GUNVANTLAL J SHAH & CO
CHARTERED ACCOUNTANTS

Gaurang G Shah, B.com, LLB, FCA
Kushagra G Shah, B.com, FCA, FRM, CISA, CFA
Mauli K Shah, M.com, FCA

INDEPENDENT AUDITOR'S REPORT

To
The Members of MOBIQUITY SOFTECH PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of MOBIQUITY SOFTECH PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at December 31, 2024, the Statement of Profit and Loss, 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 and other explanatory information (hereinafter referred to as 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at December 31, 2024, profit, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. 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 code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

GUNVANTLAL J. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

41, First Floor, Kalyanbhuvan, Above Havmor, Relief Road, Ahmedabad- 380001
Ph.: 079-25356746, 25434500 E-Mail: gjsco@yahoo.co.in
(M)9898463358, 9825914828

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and 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.

The board of directors are also responsible for overseeing the Company's financial reporting process.

GUNVANTLAL J. SHAH & CO.
AHMEDABAD
CHARTERED ACCOUNTANTS

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 SAs 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 SAs, 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such 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.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The balance sheet, the statement of profit and loss, the statement of changes in equity and the cash flow statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014**;**

(e) On the basis of the written representations received from the directors as on December 31, 2024 taken on record by the board of directors, none of the directors is disqualified as on December 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and

GUNVANTLAL J. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (whichare material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

(d) The Company has not declared or paid any dividend during the year.

v. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for Financial Year ending on 31st December 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

GUNVANTLAL J. SHAH & CO.
AHMEDABAD
CHARTERED ACCOUNTANTS

For Gunvantlal J Shah & Co
Chartered Accountants

Kushagra G Shah (M. No. 129586)
Partner

Ahmedabad

Date: 18/02/2025

UDIN: 25129586BMVOYG5576

Annexure-A referred to in our report of even date

Report as required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements as of December 31, 2024 of MOBIQUITY SOFTECH PRIVATE LIMITED ("the company") and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

I) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) A) The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

B) The company has maintained proper records showing full particulars of intangible assets.

b) The major property, plant and equipment of the company have been physically verified by the management at reasonable interval and no material discrepancies were noticed on such verification.

c) According to the information and explanation given to us, the company does not have any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee).

d) The company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.

e) According to the information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any Benami Property under the Benami Transactions (Prohibition) act, 1988 (45 of 1988) and rules made thereunder during the year.

II) In respect of Inventory

a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

b) The Company has not been sanctioned working capital limits in excess of ₹ 5 Crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

III) According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.

IV) According to the information and explanation given to us, the company has complied with requirements of section 185 and 186 in respect of loans, investments, guarantees or security made by it during the year under audit.

GUNVANTLAL J. SHAH & CO.
AHMEDABAD
CHARTERED ACCOUNTANTS

V) The company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the companies act, 2013 and the rules framed there under, where applicable. Accordingly, the provisions of clause 3(v) of the order are not applicable.

VI) To the best of our knowledge and belief, the central government has not specified maintenance of cost records under sub-section (1) of section 148 of the act, in respect of company's products/ services. Accordingly, the provisions of clause 3(vi) of the order are not applicable.

VII) In respect of statutory dues

a) The company is generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and any other statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

b) There are no statutory dues referred to in sub-clause (a) above which have not been deposited as on December 31, 2024 on account of disputes.

VIII) According to the information and explanation given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)

IX) In respect of loans taken by the company,

a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable

b) Company is not declared wilful defaulter by any bank or financial institution or other lender;

c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable

d) According to the information and explanation given to us, funds raised on short term basis have not been utilised for long term purposes;

e) According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;

f) According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

X) In respect of initial public offer and private placements

a) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year;

b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

XI) a) According to the information and explanation given to us, any fraud by the company or any fraud on the company has not been noticed or reported during the year;

b) According to the information and explanation given to us, no report under sub-section (12) of section 143 of the companies act has been filed by the auditors in form adt-4 as prescribed under rule 13 of companies (audit and auditors) rules, 2014 with the central government;

c) According to the information and explanation given to us, no whistle-blower complaints, received during the year by the company;

XII) Company is not a Nidhi Company, accordingly provisions of the clause 3(xii) of the order is not applicable to the company.

XIII) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards

XIV) a) According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business;

b) We have considered the reports of the internal auditors for the period under audit;

XV) According to the information and explanations given to us, we are of the opinion that the company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, the provisions of clause 3(xv) of the order is not applicable.

XVI) According to the information and explanations given to us, we are of the opinion that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the company is not a core investment company as defined in the regulations made by the Reserve Bank of India, accordingly the provisions of clause 3(xvi) of the order are not applicable

XVII) According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the company has not incurred any cash losses in the financial year and the immediately preceding financial year;

XVIII) There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the order is not applicable;

GUNVANTLAL J. SHAH & CO.
AHMEDABAD
CHARTERED ACCOUNTANTS

XIX) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the board of directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

XX) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) There are no ongoing projects for which reporting is to be done under this clause.

For Gunvantlal J Shah & Co
Chartered Accountants

Kushagra G Shah (M. No. 129586)
Partner

Ahmedabad

Date: 18/02/2025

UDIN: 25129586BMVOYG5576

GUNVANTLAL J. SHAH & CO.
AHMEDABAD
CHARTERED ACCOUNTANTS

Annexure-B referred to in our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of MOBIQUITY SOFTECH PRIVATE LIMITED ("the Company") as of December 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India(ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

GUNVANTLAL J. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at December 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Gunvantlal J Shah & Co
Chartered Accountants

Kushagra G Shah (M. No. 129586)
Partner
Ahmedabad

Date: 18/02/2025

UDIN: 25129586BMVOYG5576

MOBIQUITY SOFTECH PRIVATE LIMITED

REGISTERED OFFICE: 5th FLOOR, TOWER B, PRIVILON, B/H ISKON TEMPLE, AMBLI BRT ROAD, AHMEDABAD - 380 059 IN

CIN : U72200GJ2010PTC062188

BALANCE SHEET AS AT DECEMBER 31, 2024

	Notes	As at December 31, 2024	As at December 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	26,507,107	53,540,162
Right of Use Assets	4	73,238,839	73,541,086
Financial assets			
- Derivative Assets	5A	-	132,128
Loans - Security deposits	6A	14,001,210	11,410,896
Deferred tax assets (net)	7	57,796,153	51,377,233
Total non-current assets		171,543,309	190,001,505
Current assets			
Financial assets			
- Derivative Assets	5B	-	1,322,035
- Trade receivables	8	771,811,230	563,203,165
- Cash and cash equivalents	9	59,334,700	79,831,145
- Other financial assets	6B	174,128	2,596
Other current assets	10	15,298,410	62,039,112
Current Tax Asset (net)		61,704,267	-
Total current assets		908,322,735	706,398,053
Total assets		**1,079,866,045**	**896,399,558**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	102,920	102,920
Other equity		747,795,708	570,122,034
Total equity		747,898,628	570,224,954
Non-current liabilities			
Financial liabilities			
- Derivative Liabilities	12A	-	8,100
- Lease Liabilities	13A	74,100,119	83,551,758
Provisions - Employee benefit obligations		115,779,676	86,937,410
Total non-current liabilities		189,879,795	170,497,268
Current liabilities			
Financial liabilities			
- Trade and other payables	14	14,054,219	9,516,345
- Derivative Liabilities	12B	-	225,127
- Lease Liabilities	13B	28,130,334	20,299,404
Other financial liabilities	15	54,497,617	78,020,838
Other current liabilities	16	19,136,760	20,552,472
Employee benefit obligations		26,268,691	20,274,643
Current tax liabilities (net)		-	6,788,507
Total current liabilities		142,087,622	155,677,336
Total liabilities		331,967,417	326,174,604
Total equity and liabilities		**1,079,866,045**	**896,399,558**

The accompanying notes from 1 to 32 form an integral part of the condensed financial statements.

As per our report of even date

For Gunvantlal J Shah & Co
Chartered Accountants
Firm's Registration No: 103409W

Vikash Kr. Jain

M. O. Patel

Kushagra G Shah
(Partner)
Membership No : 129586

Kushagra

Vikash Kumar Jain
(Director)
DIN: 7823957

Milankumar Patel
(Director)
DIN: 07890010

Ahmedabad, dated February 18, 2025

UDIN : 25129586BMVOYG5576

GUNVANTLAL J. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

MOBIQUITY SOFTECH PRIVATE LIMITED
REGISTERED OFFICE: 5th FLOOR, TOWER B, PRIVILON, B/H ISKON TEMPLE, AMBLI BRT ROAD, AHMEDABAD - 380 059 IN
CIN : U72200GJ2010PTC062188

STATEMENT OF PROFIT AND LOSS

	Notes	For year ended December 31, 2024	For year ended December 31, 2023
INCOME			
Revenue from operations	17	1,672,600,089	1,545,455,240
Exchange rate difference (net)		22,687,508	9,269,038
Other Income	18	-	1,759,342
Total income		**1,695,287,597**	**1,556,483,620**
EXPENSES			
Employee benefits expense	19	1,351,847,137	1,197,824,406
Finance costs	20	9,201,252	8,370,071
Operation and other expenses	21	53,817,908	76,615,888
Exchange rate difference (net)		-	-
Depreciation and amortisation expense	3 & 4	48,771,666	56,997,666
Total expenses		**1,463,637,963**	**1,339,808,031**
Profit before tax Before exceptional items		**231,649,634**	**216,675,589**
Less: Exceptional items (Acquisition related cost)		-	-
Profit before tax		**231,649,634**	**216,675,589**
Tax Expense			
Current		61,309,593	70,400,365
Deferred Tax Charge/(Credit)	7	(6,649,137)	(12,658,327)
		54,660,456	57,742,038
Profit for the period		**176,989,178**	**158,933,551**
Other comprehensive income			
i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plan		1,976,501	(5,432,515)
Income tax relating to items that will not be reclassified to profit or loss		(497,446)	1,367,255
ii) Items that will be reclassified to profit or loss			
Net change in fair value of cash flow hedges		(1,061,790)	1,061,790
Income tax relating to items that will be reclassified to profit or loss		267,232	(267,231)
Total other comprehensive income		684,496	(3,270,701)
Total comprehensive income for the period		**177,673,674**	**155,662,850**
Earnings per share (in Rupees)	22		
Basic		17,196.77	15,442.44
Diluted		17,196.77	15,442.44

The accompanying notes from 1 to 32 form an integral part of the condensed financial statements.

As per our report of even date

For Gunvantlal J Shah & Co
Chartered Accountants
Firm Registration No: 103409W

For and on behalf of the Board of Directors

Kushagra

Kushagra G Shah
(Partner)
Membership No : 129586

Vikash Kr. Jain M.O. Patel

Vikash Kumar Jain
(Director)
DIN: 7823957

Milankumar Patel
(Director)
DIN: 07890010

Ahmedabad, dated February 18, 2025
UDIN - 25129586BMVOYG5576

GUNVANTLAL J. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

MOBIQUITY SOFTECH PRIVATE LIMITED
REGISTERED OFFICE: 5th FLOOR, TOWER B, PRIVILON, B/H ISKON TEMPLE, AMBLI BRT ROAD, AHMEDABAD - 380 059 IN
CIN : U72200GJ2010PTC062188

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

	As at December 31, 2024	As at December 31, 2023
Outstanding at the beginning of the period	102,920	102,920
Issued during the period	-	-
Outstanding at the end of the period	102,920	102,920

B. Other Equity

	Reserves and Surplus		Other comprehensive income	
	Securities Premium Reserve	Retained Earnings	Cashflow hedging reserve (CFHR)	Total
Balances as at Jan 1, 2024	696,380	568,631,095	794,559	570,122,034
Profit for the period	-	176,989,178	-	176,989,178
Other comprehensive income	-	1,479,055	(794,559)	684,496
Total comprehensive income for the period	**-**	**178,468,233**	**(794,559)**	**177,673,674**
As at December 31, 2024	696,380	747,099,328	-	747,795,708
Balances as at Jan 1, 2023	696,380	413,762,804	-	414,459,184
Profit for the period	-	158,933,551	-	158,933,551
Other comprehensive income	-	(4,065,260)	794,559	(3,270,701)
Total comprehensive income for the period	**-**	**154,868,291**	**794,559**	**155,662,850**
As at December 31, 2023	696,380	568,631,095	794,559	570,122,034

Description of component of Other equity

Securities premium is used to record the premium received on issue of shares to be utilized in accordance with the provisions of the Companies Act, 2013 .

Capital reserve represent reserve on amalgamation. Capital redemption reserve is created on buy-back of the equity shares in accordance with the provisions of the Act.

The Special Economic Zone Re-Investment Reserve has been created out of profit of eligible SEZ units as per provisions of section 10AA (1)(ii) of the Income–tax Act, 1961 for acquiring new plant and machinery.

Share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to securities premium upon exercise of stock options by employees.

General reserve represents appropriation of profits by the Company.

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to standalone statement of profit and loss in the period in which the underlying hedged transaction occurs.

Retained earnings comprise of the accumulated undistributed earnings.

The accompanying notes from 1 to 32 form an integral part of the condensed financial statements.

As per our report of even date
For Gunvantlal J Shah & Co
Chartered Accountants
Firm's Registration No: 103409W

Kushagra G Shah
(Partner)
Membership No : 129586

For and on behalf of the Board of Directors

Vikash Kumar Jain
(Director)
DIN: 7823957

Milankumar Patel
(Director)
DIN: 07890010

Ahmedabad, dated February 18, 2025
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GUNVANTLAL J. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

MOBIQUITY SOFTECH PRIVATE LIMITED
REGISTERED OFFICE: 5th FLOOR, TOWER B, PRIVILON, B/H ISKON TEMPLE, AMBLI BRT ROAD, AHMEDABAD - 380 059 IN
CIN : U72200GJ2010PTC062188

STATEMENT OF CASH FLOWS

	For year ended December 31, 2024	For year ended December 31, 2023
Cash Flow from operating activities		
Net Profit before tax	231,649,634	216,675,589
Adjustments for:		
Depreciation and amortization expense	48,771,666	56,997,666
Gain on Lease Closure	-	(1,606,885)
(Profit) / Loss on sale of property, plant and equipments (PPE) and intagible assets (net)	5,504,093	(150,109)
Finance Cost	9,201,252	8,370,071
Operating profit before working capital changes	**295,126,645**	**280,286,332**
Adjustments for:		
Trade receivables and other assets	(162,493,562)	(227,905,679)
Trade payables and other liabilities	14,435,256	77,428,548
Cash generated from operations	**147,068,339**	**129,809,201**
Direct taxes paid (net)	(129,705,436)	(68,383,210)
Net cash from operating activities	**17,362,903**	**61,425,991**
Cash flow from investing activities		
Purchase of PPE, Intangible assets and CWIP including advances	(7,284,337)	(20,688,601)
Proceeds from sale of PPE	0	511,822
Net cash used in investing activities	**(7,284,337)**	**(20,176,779)**
Cash flow from financing activities		
Lease Liability Payment	(30,575,011)	(30,571,015)
Net cash used in financing activities	**(30,575,011)**	**(30,571,015)**
Net Increase in cash and cash equivalents	(20,496,445)	10,678,197
Cash and cash equivalents at the beginning of the period	79,831,145	69,152,948
Cash and cash equivalents at the end of the period (Refer note 9)	**59,334,700**	**79,831,145**

The accompanying notes from 1 to 32 form an integral part of the condensed financial statements.

As per our report of even date
For Gunvantlal J Shah & Co
Chartered Accountants
Firm's Registration No: 103409W

Kushagra G Shah
(Partner)
Membership No : 129586

For and on behalf of the Board of Directors

Vikash Kumar Jain
(Director)
DIN: 7823957

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(Director)
DIN: 07890010

Ahmedabad, dated February 18, 2025
UDIN -
25129586BMVOYG5576

GUNVANTLAL J. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

1 Corporate Information

MOBIQUITY SOFTECH PRIVATE LIMITED (“Mobiquity India” or "The Company”) is a private limited company incorporated in India under companies act 1956. The Company is engaged in software development and consultancy services.The company is focused on mobile technology solutions and provides end-to-end omnichannel digital consulting services.

2 Significant Accounting Policies

2.1 Statement of compliance

The financial statements comply in all material aspects with Indian Accounting standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act as amended from time to time.

2.2 Basis of Preparation

These interim standalone financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which is measured at fair value or amortised cost at the end of each reporting period. All assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

2.3 Use of estimates and judgements

The preparation of interim standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of interim standalone financial statements and the reported amounts of income and expenses for the periods presented.

The Company uses the following critical accounting estimates in preparation of its interim standalone financial statements:

2.3.1 Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts expended to date, as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion, as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Cost to fulfill contract are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.3.2 Income-tax

The major tax jurisdictions for the Company is India. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax on unrecognised tax benefits. Tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.3.3 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

AHMEDABAD

2.3.4 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.4 Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

In case of contract on time and material basis, transaction-based or volume-based contracts, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognized using percentage of completion method. The Company uses the efforts expended to date as a proportion to the total efforts to be expended as a basis to measure the degree of completion. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated. Amount received or billed in advance of services performed are recorded as unearned revenue (Contract liability). Unbilled receivables (Contract assets) represents revenue recognized based on services performed in advance of billing in accordance with contract terms.

Revenues related to fixed-price maintenance, testing and business process services are recognized based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognized as the service is performed using the percentage of completion method.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Revenues in excess of billing are classified as Unbilled receivables while billing in excess of revenues are classified as Contract liabilities (Unearned revenues). Invoicing to the clients for fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled receivables for fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

The Company recognizes an onerous cost provision for the estimated losses in the statement of profit and loss, when the total estimated cost exceeds the revenue in an arrangement based on the current contract estimates.

2.5 Leases

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. 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: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.
Lease liability and ROU asset have been separately presented in the Balance Sheet.

2.6 Functional and presentation currency

These financial statements are presented in Indian Rupees (Rs.), the currency of the primary economic environment in which the Company operates.

Foreign currency

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rate prevailing on the date of Balance Sheet. The resulting exchange difference on such restatement and settlement is recognized in the profit or loss, except exchange differences on transactions entered into in order to hedge certain foreign currency risk.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.
Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. Items in the statement of profit or loss have been translated using average exchange rates. Translation adjustments have been reported as foreign currency translation reserve in Other comprehensive income.

2.7 Borrowing Cost

Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in the profit or loss.

AHMEDABAD

2.8 Employee Benefits

a) **Post-employment benefits and other long term benefit plan**

Payments to defined contribution retirement schemes are recognised as an expense when the employees have rendered service entitling them to such benefits.

For defined benefit schemes and other long term benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at balance sheet date. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest) is reflected immediately in the balance sheet with a charge or credit recognized in the other comprehensive income in respect of defined benefit schmes and in the statement of profit and loss in respect of other long term benefit plans in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in the profit or loss in the period of plan amendment. The retirement benefit liability recognized in the statement of financial position represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the lower of the amount determined as the defined benefit liability and the present value of available refunds and / or reduction in future contributions to the scheme.

The service cost (including past service cost as well as gains and losses on settlement and curtailments) and net interest expenses or income is recognised as employee benefits expense in the profit or loss.

b) **Short term employee benefit**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period when the employee renders those services. These benefits include compensated absences such as leave expected to be availed within a year and bonus payable.

c) **Compensated absences**

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

2.9 Taxes on Income

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when it affects neither the taxable profit nor the accounting profit at the time of the transaction.

A deferred income tax liability is recognised for all taxable temporary differences arising on property, plant and equipment, except where the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and

(ii) based on the tax consequence that will follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amounts of its assets and liabilities.

GUNVANTLAL J. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

2.10 Property, plant and equipment (PPE)

PPE are stated at cost of acquisition less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation

Depreciation is provided on straight-line method based on the estimated useful lives of the assets as determined by the management based on the expert technical advice/ stipulations of schedule II to the Act.

Asset Class	Estimated useful Life
Computer Systems (included in Plant and Machinery)	3 years
Telephone and electronic Equipments (included in Plant and Machinery)	5 years
Furniture and Fixtures	10 years

Improvement to Leasehold Premises are amortised over the lease period or useful life of an asset whichever is lesser.

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

2.11 Intangible assets

Intangible assets with finite useful lives that are acquired are initially recognised at cost in case of separately acquired assets and at fair value in case of acquisition in business combination. Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortisation and impairment loss, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. Software licenses are amortised over three years.

Amortisation method, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An intangible asset is derecognised on disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

2.12 Impairment

a) Financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset in form of trade receivables and unbilled receivables is impaired. In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivables and unbilled receivables. The provision matrix is based on available external and internal credit risk factors such as credit default, credit rating from credit rating agencies and Company's historically observed default rates over the expected life of trade receivables and unbilled receivables. ECL impairment loss allowance or reversal is recognized during the period as expense or income respectively in the statement of profit and loss. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

In case of Investments, the Company periodically reviews its carrying value of investments for indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

b) Non-financial assets
Tangible and Intangible assets

At the end of each reporting period, the company assesses whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs or allocated. Impairment loss is charged to the profit or loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

In case of reversal of impairment loss, the increased carrying amount shall not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

2.13 Provisions

Provisions are recognised when the company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract is lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

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2.14 Non derivative financial instruments

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

A Financial assets and financial liabilities – subsequent measurement

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held with a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held with a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

(iv) Cash and cash equivalents

The company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(v) Financial liabilities

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

B Derecognition of financial assets and financial liablities

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

C Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

2.15 Derivative financial instruments and hedge accounting

Instruments in hedging relationship

The Company designates certain foreign exchange forward contracts as hedge instruments in respect of foreign exchange risks. These hedges are accounted for as cash flow hedges. The Company uses hedging instruments that are governed by the policies of the Company and its subsidiaries which are approved by their respective Board of Directors. The policies provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company and its subsidiaries. The hedge instruments are designated and documented as hedges at the inception of the contract.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. The effective portion of change in the fair value of the designated hedging instrument is recognised in the other comprehensive income and accumulated under the heading cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires, terminated or exercised without replacement or rollover as part of the hedging strategy or when the hedge no longer meets the criteria for hedge accounting, the net cumulative gain or loss recognised in hedging reserve at that time remains in equity and is recognised in profit or loss when the forecasted transaction affects profit or loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in hedging reserve is immediately transferred to the profit or loss for the year and is grouped under exchange rate difference.

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Instruments not in hedging relationship

The Company enters into contracts that are effective as hedges from an economic perspective, but they do not qualify for hedge accounting. The change in the fair value of such instrument is recognised in the statement of profit and loss.

2.16 Earnings per share (‘EPS’)

Basic EPS are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.17 Recent accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During year ended December 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

MOBIQUITY SOFTECH PRIVATE LIMITED
REGISTERED OFFICE: 5th FLOOR, TOWER B, PRIVILON, B/H ISKON TEMPLE, AMBLI BRT ROAD, AHMEDABAD - 380 059 IN
CIN : U72200GJ2010PTC062188
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3 Property, Plant and Equipment (PPE) **(Amount in Rs.)**

PPE consist of the following :

	Plant and Machinery	Furniture and Fixtures	Leasehold Improvements	Total
COST				
At January 1, 2024	184,814,811	14,812,852	9,921,328	209,548,991
Additions	7,284,337	-	-	7,284,337
(Disposals) / Adjustments	(51,694,391)	(8,110,425)	-	(59,804,816)
At December 31, 2024	140,404,757	6,702,427	9,921,328	157,028,512
At January 1, 2023	176,213,404	14,718,242	9,921,328	200,852,974
Additions	15,483,336	94,610	-	15,577,946
(Disposals) / Adjustments	(6,881,929)	-	-	(6,881,929)
At December 31, 2023	184,814,811	14,812,852	9,921,328	209,548,991
ACCUMULATED DEPRECIATION				
At January 1, 2024	143,365,120	7,631,904	5,011,805	156,008,829
Charge for the period	26,395,245	1,093,743	1,227,381	28,716,369
Disposals	(49,221,272)	(4,982,521)	-	(54,203,793)
At December 31, 2024	120,539,093	3,743,126	6,239,186	130,521,405
At January 1, 2023	116,775,323	6,234,368	3,784,424	126,794,115
Charge for the period	32,813,712	1,397,536	1,227,381	35,438,629
Disposals	(6,223,915)	-	-	(6,223,915)
At December 31, 2023	143,365,120	7,631,904	5,011,805	156,008,829
NET CARRYING AMOUNT				
At December 31, 2024	19,865,664	2,959,301	3,682,142	26,507,107
At December 31, 2023	41,449,691	7,180,948	4,909,523	53,540,162

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4 Leases - Accounting Estimate

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Mobiquity's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. Refer note no 2.5

The following is the summary of practical expedients elected on initial application:
1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

The incremental borrowing rate applied to lease liabilities are as follows

Years	Rate
1-4 yrs.	8.80%
4-6 yrs.	9.00%
6-9 yrs.	9.25%
Above 60 yrs. *	9.25%

* We have assumed 6-9 yrs. rate for tenor above 60 yrs., as practically, no market rates are available for such long duration.

Following are the changes in the carrying value of right of use assets for the year ended December 31, 2024:

Particulars	**Category of ROU asset - Buildings**	
	As at December 31, 2024	**As at December 31, 2023**
Balance as at beginning of the period	73,541,086	**102,423,395**
Additions	19,753,050	-
Deletion	-	(7,323,269)
Depreciation	(20,055,297)	(21,559,040)
Balance as at end of the period	**73,238,839**	**73,541,086**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at December 31, 2024

Particulars	**As at December 31, 2024**	**As at December 31, 2023**
Current lease liabilities	28,130,334	20,299,404
Non-current lease liabilities	74,100,119	83,551,758
Total	**102,230,453**	**103,851,162**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Following table presents various components of lease cost:

Particulars	**As at December 31, 2024**	**As at December 31, 2023**
Depreciation on Right of Use - Assets	20,055,297	21,559,040
Finance Cost - Lease Liability (refer note 20)	9,201,252	8,370,071
Total	**29,256,549**	**29,929,111**

GUNVANTLAL J. SHAH & CO.
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		As at December 31, 2024	As at December 31, 2023
5	**Other financial assets (unsecured) (considered good)**		
A	**Non-current**		
	Derivative Assets	-	132,128
		-	132,128
B	**Current**		
	Derivative Assets	-	1,322,035
		-	1,322,035
6	**Other financial assets (unsecured) (considered good)**		
A	**Non-current**		
	Security deposits for premises and others	11,401,390	11,400,896
	Security deposits for IT Lease assets	2,589,820	-
	Security deposits with NSDL	10,000	10,000
		14,001,210	11,410,896
B	**Current**		
	Recoverable from Employee	174,128	2,596
		174,128	2,596
8	**Trade Receivables (unsecured)**		
	Undisputed - Considered good	771,811,230	563,203,165
		771,811,230	563,203,165
9	**Cash and bank balances:**		
	Cash and cash equivalents		
	In current accounts with banks	59,334,700	79,831,145
		59,334,700	79,831,145
10	**Other current assets**		
	Prepaid expenses	10,031,096	6,833,063
	Indirect taxes recoverable	5,267,314	55,202,630
	Others	-	3,419
		15,298,410	62,039,112

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7 Components of deferred taxes:	Jan 1, 2024	Recognised in profit or loss	Recognised in OCI	Recognised in Retained Earnings	December 31, 2024
Deferred tax assets					
Depreciation	3,082,354	3,474,260	-	-	6,556,614
Employee benefit obligations	39,784,702	4,786,105	(1,776,845)	-	42,793,962
ROU and Lease Libaility	7,628,440	(331,831)	-	-	7,296,609
Minimum alternate tax credit carry forward	-	-	-	-	-
Cummulative Correction Ind AS 116	1,148,968	-	-	-	1,148,968
Total	51,644,464	7,928,534	(1,776,845)	-	57,796,153
Deferred tax liabilities					
Unrealised gain on cash flow hedges	267,231	-	(267,231)	-	-
Total	267,231	-	(267,231)	-	-
Net deferred tax asset	51,377,233	7,928,534	(1,509,614)	-	57,796,153

Components of deferred taxes:	Jan 1, 2023	Recognised in profit or loss	Recognised in OCI	Recognised in Retained Earnings	December 31, 2023
Deferred tax assets					
Depreciation	760,980	2,321,374	-	-	3,082,354
Employee benefit obligations	27,373,453	11,043,994	1,367,255	-	39,784,702
ROU and Lease Libaility	8,335,481	(707,041)	-	-	7,628,440
Cummulative Correction Ind AS 116	1,148,968	-	-	-	1,148,968
Total	37,618,882	12,658,327	1,367,255	-	51,644,464
Deferred tax liabilities					
Unrealised gain on cash flow hedges	-	-	267,231	-	267,231
Total	-	-	267,231	-	267,231
Net deferred tax asset	37,618,882	12,658,327	1,100,024	-	51,377,233

GUNVANTLAL J. SHAH & CO.
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11 Equity Share Capital

(Amount in Rs.)

		As at December 31, 2024	As at December 31, 2023
11.1	Authorised capital		
	20,000 Equity shares of Rs. 10 each	200,000	200,000
11.2	Issued, subscribed and paid-up capital		
	Equity shares of Rs. 10 each	102,920	102,920
11.3	Reconciliation of number of shares		
	Shares outstanding at the beginning of the period	10,292	10,292
	Shares issued during the period	-	-
	Shares bought back during the year	-	-
	Shares outstanding at the end of the period/ year	10,292	10,292

11.4 Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. The Company has not declared any dividend during the period. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

11.5 Details of shares held by shareholders holding more than 5% shares

Name of Shareholder		As at December 31, 2024	As at December 31, 2023
Hexaware Technologies Limited (including one equity share held by each as nominee of the holding company 1. Mr. Riten Gosar 2. Mr. Shyam Mansukhani 3. Mr. Jacob P 4. Ms. Mailini Moorthy 5. Mr. Akshay Bochia 6. Ms. Gunjan Methi 7. Ms. Ayesha Nair)	No. of shares held	10,292	10,292
	% of holding	100.00%	100.00%

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MOBIQUITY SOFTECH PRIVATE LIMITED

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		As at December 31, 2024	As at December 31, 2023
12	**Other liabilities**		
A	**Non-Current**		
	Derivative Liabilities	-	8,100
		-	8,100
B	**Current**		
	Derivative Liabilities	-	225,127
		-	225,127
13	**Other liabilities**		
A	**Non-Current**		
	Lease Liabilities	74,100,119	83,551,758
		74,100,119	83,551,758
B	**Current**		
	Lease Liabilities	28,130,334	20,299,404
		28,130,334	20,299,404
14	**Trade and other payables**		
	Trade payables	2,010,660	3,726,151
	Accrued expenses	12,043,559	5,790,194
		14,054,219	9,516,345
15	**Other financial liabilities**		
	Capital Creditors	0	100,551
	Employee liabilities	54,497,617	77,920,287
		54,497,617	78,020,838
16	**Other current liabilities**		
	Statutory liabilities	19,136,760	14,949,119
	Other Liabilities	-	5,603,353
		19,136,760	20,552,472

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17 Revenue from operations

17.1 The disaggregated revenue with the customers for the year ended 31 December 2024 by contract type:

(In Rupees)

	For year ended December 31, 2024	For year ended December 31, 2023
Time and Material contracts	1,672,600,089	1,545,455,240
Total revenue from operations	**1,672,600,089**	**1,545,455,240**

17.2 The revenue from contracts as per geography for the period ended 31 December 2024 is as under:

	For year ended December 31, 2024	For year ended December 31, 2023
USA	205,067,995	735,791,190
Europe	226,051,156	809,664,050
India	1,241,480,938	-
Total revenue from operations	**1,672,600,089**	**1,545,455,240**

17.3 Unearned / Unbilled revenue are as follows:

	For year ended December 31, 2024	For year ended December 31, 2023
Balance as at the beginning of the period	-	-
Revenue recognised during the period	-	-
Increase / Decrease due to excess / short invoicing during the period	148,569,195	-
Balance as at the end of the period	**148,569,195**	**-**

MOBIQUITY SOFTECH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

		For year ended December 31, 2024	For year ended December 31, 2023
18	**Other income**		
	Profit on sale of PPE (net)	-	150,109
	Miscellaneous income	-	2,348
	Gain on Closure of Lease	-	1,606,885
		-	1,759,342
19	**Employee benefits expense**		
	Salary and allowances	1,264,280,938	1,127,587,774
	Contribution to provident and other funds	28,994,978	25,683,241
	Staff welfare expenses	9,599,378	7,320,698
	Gratuity and Leave Encashment Benefits	48,153,230	37,232,693
	ESOP	818,613	-
		1,351,847,137	1,197,824,406
20	**Finance costs**		
	Interest on lease liabilities	9,201,252	8,370,071
		9,201,252	8,370,071
21	**Operation and other expenses**		
	Travelling and conveyance	13,007,521	11,944,183
	Electricity charges	2,083,403	2,075,012
	Communication expenses	5,005,626	6,300,048
	Repairs and maintenance	1,838,440	6,250,665
	Office Expense	1,893,138	14,392,450
	Auditors remuneration	1,148,951	712,500
	Legal and professional fees	1,190,940	897,359
	Training expense	711,295	434,812
	Bank and other charges	50,015	58,293
	Insurance charges	5,075,166	8,749,017
	Loss on sale of PPE (net)	5,504,093	-
	Staff recruitment expenses	12,139,022	22,817,648
	Service charges	2,308,785	1,780,857
	Interest expenses on Late payment of Statutory Payments	1,861,513	203,044
		53,817,908	76,615,888

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22 Earnings per share

The components of basic and diluted earnings per share (EPS) were as follows:

	For year ended December 31, 2024	For year ended December 31, 2023
Net profit after tax (In Rupees)	176,989,178	158,933,551
Weighted average outstanding equity shares considered for basic EPS (Nos.)	10,292	10,292
Basic earnings per share (In Rupees)	17,196.77	15,442.44
Weighted average outstanding equity shares considered for basic EPS (Nos.)	10,292	10,292
Add : Effect of dilutive issue of stock options (Nos.)		
Weighted average outstanding equity shares considered for diluted EPS (Nos.)	10,292	10,292
Diluted earnings per share (In Rupees)	17,196.77	15,442.44

23 Related party disclosures

Name of the Related Parties	Country
Ultimate Holding company and its Subsidiaries	
Baring Private Equity Asia GP V. LP, Cayman Island (Ultimate holding entity) (control exists) (upto November 10, 2021)	Cayman Island
The Baring Asia Private Equity Fund V, LP, Cayman Island (upto November 10,2021)	Cayman Island
Baring Private Equity Asia V Mauritius Holding (4) Limited, Mauritius (upto November 10,2021)	Mauritius
HT Global IT Solutions Holdings Limited, Mauritius (upto November 10,2021)	Mauritius
CA Magnum Holdings (w.e.f. November 11, 2021)	Mauritius
HT Global Holdings B.V. (upto November 10, 2021)	Netherlands
Holding Company (control exists)	
Hexaware Technologies Limited	India
Mobiquity Inc.	USA
Mobiquity B.V.	Netherland
Key Management Personnel (KMP)	
Executive Director	
Mr Milan Patel	

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CIN : U72200GJ2010PTC062188
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Details of transactions and balances with party wise details for transactions in excess of 10% of the total transactions

Nature of transactions	Name of the Related party and Relationship	For year ended December 31, 2024	For year ended December 31, 2023
Software and consultancy income	**Affiliated subisdiary**		
	Mobiquity Inc	205,067,995	735,791,190
	Mobiquity B.V.	226,051,156	809,664,050
	Hexaware Technology Limited	1,241,480,938	
		1,672,600,089	**1,545,455,240**
Sale of Asset	**Holding Company**		
	Hexaware Technologies Limited	-	657,486
Remuneration to KMP's and Directors			
	Short term employee benefits	8,170,569	8,020,333

Outstanding Balances		
Name of the Related party and Relationship	**As at December 31, 2024**	**As at December 31, 2023**
Trade and other receivable		
- Mobiquity Inc., USA	-	135,483,666
- Mobiquity B.V., Netherland	-	427,360,299
- Hexaware Technologies Limited	771,811,230	359,200
Trade payable - towards ESOP		
- Hexaware Technologies Limited	818,612	-

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24 Employee benefit expenses

24.1 Employee benefit plans

i) Provident Fund and Superannuation Fund and other similar funds

a) In respect of employees in India

Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee’s salary. The company is contributing to the Government administered employee Provident and Pension Fund.

During the year ended 31st December 2024, the Company has recognized expenses towards contributions to provident fund and other funds of Rs 13,025,118 & for the year ended 31st December 2023, the Company has recognized expenses towards contributions to provident fund and other funds Rs 12,226,710.

During the year ended 31st December 2024,, the Company has recognized expenses towards contributions to National Pension Scheme of Rs.15,969,860 & for the year ended 31st December 2023, the Company has recognized expenses towards contributions to National Pension Scheme of Rs 13,456,531.

GUNVANTLAL J. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

24.2 Employee benefit plans (contd.)

ii) **Gratuity Plan**

The gratuity plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment based on completed years of service or part thereof in excess of six months based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company. Vesting occurs on completion of specified years of service.

The following table sets out the status of the gratuity plan for the period ended December 31 2024:

Particulars	31 December 2024	31 December 2023
Change in Defined Benefit Obligation		
Opening defined benefit obligation	**58,243,308**	**38,245,758**
Current service cost	18,214,848	13,566,452
Past Service Cost	4,092,232	
Interest cost	3,952,776	2,689,521
Adjustment for remeasurement of defined benefit plan		
- Actuarial loss/(gains) arising from change in financial assumptions	3,440,285	488,201
- Actuarial loss/(gains) arising from change in demographical assumptions		
- Actuarial loss/(gains) arising on account of experience changes	(5,416,786)	4,944,314
Benefits paid	(3,680,195)	(1,690,938)
Closing defined benefit obligation	**78,846,468**	**58,243,308**
Change in the Fair Value of Assets		
Opening fair value of plan assets		**-**
Interest on plan assets		-
Remeasurement due to actual return on plan assets less interest on plan assets		-
Contribution by employer	3,680,195	1,690,938
Benefits paid	(3,680,195)	(1,690,938)
Closing fair value of plan assets	**-**	**-**
Net liability as per actuarial valuation	**78,846,468**	**58,243,308**
Expense charged to statement of profit and loss:		
Current service cost	18,214,848	13,566,452
Past Service Cost	4,092,232	-
Net interest on defined benefit plan	3,952,776	2,689,521
Total Included in Employment expenses	**26,259,856**	**16,255,973**
Amount recognised in other comprehensive income:		
Remeasurement of defined benefit plan due to -		
- changes in financial assumptions	3,440,285	488,201
- Experience adjusments	(5,416,786)	4,944,314
Total amount recognised in other comprehensive income	**(1,976,501)**	**5,432,515**

Financial assumptions at the valuation date	31 December 2024	31 December 2023
Discount rate	6.85%	7.20%
Rate of increase in compensation levels of covered employees *	10% until year 1 inclusive, then 7.5%	10% until year 1 inclusive, then 7.5%

* The estimates of future salary increases considered in actuarial valuation takes into account the inflation, seniority, promotions and other relevant factors.

The following table summarises the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points:

Impact on defined benefit obligation	December 31, 2024		December 31, 2023	
	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate
Increase in 50 bps	-3.03%	3.16%	-3.09%	3.01%
Decrease in 50 bps	3.20%	-3.02%	3.27%	-2.92%

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

Projected plan cash flow

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date.

Maturity profile	Amount in Rs
Year 1	8,875,510
Year 2	10,894,555
Year 3	11,152,296
Year 4	10,575,748
Year 5	9,541,960
Year 6	8,608,943
Year 7	7,766,854
Year 8	7,006,806
Year 9	6,384,125
Year 10 and above	50,649,760

The weighted average duration to the payment of these cash flows is 6.23 years.

GUNVANTLAL J. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

25 Financial Instruments

25.1 Fair Value hierarchy

Fair Value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observed and the significance of the inputs to the fair value measurements in its entirely, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

(Amount in Rs.)

The following table presents fair value hierarchy of financial assets and liabilities measured at fair value on a recurring basis as at December 31, 2024:

	Level I	Level II	Level III	Total
Derivative financial assets	-	-	-	-
	-	**-**	**-**	**-**
Derivative financial liabilities	-	-	-	-
	-	**-**	**-**	**-**

The following table presents fair value hierarchy of financial assets and liabilities measured at fair value on a recurring basis as at December 31, 2023:

	Level I	Level II	Level III	Total
Derivative financial assets	-	1,454,163	-	1,454,163
	-	**1,454,163**	**-**	**1,454,163**
Derivative financial liabilities	-	-	233,227	233,227
	-	**-**	**233,227**	**233,227**

GUNVANTLAL J. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

Financial Instruments

Valuation technique

25.2 The carrying value / fair value of financial instruments by categories is as follows:

(Amount in Rs.)

December 31, 2024	Amortised Cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	59,334,700	-	-	-	59,334,700
Derivative Assets	-	-	-	-	-
Loans - Security deposits	14,001,210	-	-	-	14,001,210
Trade receivables	771,811,230	-	-	-	771,811,230
Other financial assets	174,128	-	-	-	174,128
	845,321,268	-	-	-	845,321,268
Trade payables	14,054,219	-	-	-	14,054,219
Derivative Liabilities	-	-	-	-	-
Lease Liabilities	102,230,453	-	-	-	102,230,453
Other financials liabilities	54,497,617	-	-	-	54,497,617
	170,782,290	-	-	-	170,782,290

December 31, 2023	Amortised Cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	79,831,145	-	-	-	79,831,145
Derivative Assets	-	-	-	1,454,163	1,454,163
Loans - Security deposits	11,410,896	-	-	-	11,410,896
Trade receivables	563,203,165	-	-	-	563,203,165
Other financial assets	2,596	-	-	-	2,596
	654,447,802	-	-	1,454,163	655,901,965
Trade payables	9,516,345	-	-	-	9,516,345
Derivative Liabilities	-	-	-	233,227	233,227
Lease Liabilities	103,851,162	-	-	-	103,851,162
Other financials liabilities	78,020,838	-	-	-	78,020,838
	191,388,345	-	-	233,227	191,621,572

GUNVANTLAL J. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

25 Financial Instruments (Cont'd)

25.3 Financial risk management

The Company has identified the risks under verticals like client concentration risk, credit risk, foreign currency fluctuation risk and liquidity risk. The Company has formulated policies, procedures and strategies for managing risks which is affirmed by our global CEO and CFO, after consultation with all business units, functions and department heads.

Geographic and client concentration risk

For the year ended December 2024, Europe contributed 12%, US contributed 14% and India contributed 74%. In year 2023, Europe contributed 52 % and USA contributed 48% of the Company's total revenue. Since the customer of the company is one of the group entity, the credit risk exposure is low.

100% of the revenue of the year is generated from Group Companies. Any loss or major downsizing by this client may impact company's profitability.

Credit risk

Since the customer of the company is one of the group entity, the credit risk exposure is low. Company's maximum credit exposure is in respect of trade receivables is Rs 77,18,11,230 as at December 2024 and 56,32,03,165 as at December 31, 2023 , respectively.

Cash and cash equivalents are neither past due nor impaired. Cash and cash equivalents include money held in current account with banks with high credit-ratings assigned by credit-rating agencies.

GUNVANTLAL J. SHAH & CO.
AHMEDABAD
CHARTERED ACCOUNTANTS

25 Financial risk management (Cont'd)

25.4 Foreign Currency fluctuations Risk

Foreign exchange fluctuations is one of the key risks impacting our business. The offshore part of the revenue remains exposed to the risk of Rupee appreciation which is functional currency of the Company vis-a-vis , the USD and Euro as largely, the costs incurred are in Indian Rupees and the revenue/ inflows are in foreign currencies. The contracts the company enters into with our customers tend to run across several years and many of these contracts are at Cost plus Mark up therefore any appreciation in the Indian rupee vis-à-vis foreign currencies will affect margins.

The Foreign Exchange Risk Management Policy authorized by the of the Board who takes these circumstances into account and authorizes hedging on a systematic basis. These risks have been effectively addressed by the processes and controls laid out in the Foreign Exchange Risk Management Policy. The hedge ratio assigned to the exposures depends on the time horizon in which they fall, the near term exposures get a higher ratio whereas the farther exposures get a lower ratio. This graded approach ensures that hedges are spread across the hedge horizon in a tapered down manner. The exposure as indicated below is net of derivative contracts entered into by the Company.

(Amount in Rs.)

The following table analyses foreign currency risk from financial instruments as at December 31, 2024:

	Net financial assets (A)	Net financial liabilities (B)	Net assets/(liabilities) (A-B)
As at December 31, 2024			
USD	-	-	-
EUR	-	-	0

The following table analyses foreign currency risk from financial instruments as at December 31, 2023:

	Net financial assets (A)	Net financial liabilities (B)	Net assets/(liabilities) (A-B)
As at December 31, 2023			
USD	7,136	169,938	(162,802)
EUR	1,447,027	63,289	1,383,738

GUNVANTLAL J. SHAH & CO.
AHMEDABAD
CHARTERED ACCOUNTANTS

25 Financial Instruments (Cont'd)

25.5 Foreign Currency fluctuations Risk (Cont'd)

The Company uses derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on trade receivables and forecasted cash flows denominated in certain foreign currencies. The Company had outstanding hedging instrument in the form of foreign currency forward contracts as at:

	As at December 31, 2024	As at December 31, 2023
Currency hedge (sell contracts)		
USD	-	5,790,000
EURO	-	5,720,000

The weighted average forward rate for the hedges outstanding as at December 31, 2024 is Rs. 85.62 and Rs. 89.20 and as at December 31, 2023 - Rs. 83.97 and Rs. 93.93 for USD and Euro respectively. The hedges mature over the eight quarters.

10% depreciation/appreciation of the respective foreign currencies with respect to closing exchange rate would result in the increase/ decrease in Company's other comprehensive income approximate by Rs. 0 and Rs. 18 millions for the year ended December 31, 2024 and December 31, 2023, respectively.

The movement in accumulated other comprehensive income on account of derivatives designated as cash flow hedges is as under:

(Amount in Rs.)

	For the period ended	
	December 31, 2024	**December 31, 2023**
Balance at the beginning of the year	794,559	-
Less: Net gains transferred to statement of profit or loss on occurrence of forecasted hedge transaction	(1,061,790)	-
Add: Changes in the fair value of the effective portion of outstanding cash flow hedges	-	1,061,790
Less : Deferred tax on CFHR	267,231	(267,231)
Balance at the end of the year	**-**	**794,559**

Liquidity risk

The company needs continuous access to funds to meet short and long term strategic investments. The Company's inability to meet such requirements in stipulated period may hamper growth plan and even ongoing operations. Further, the company's inability to quickly convert assets into cash without incurring any material loss will expose it to liquidity risks.

Over the years, the Group has increased its liquidity position is by managing its trade receivables and maintaining cash / bank balance

As at December 31, 2024 the Company had total cash, bank balance and current investments of Rs.59,334,700 (31 December 2023: Rs 79,831,145) which constitutes approximately 5.5% (December 31, 2023 : 9 %) of total assets.

The tables below provide details of the contractual maturities of significant financial liabilities as at:

(Amount in Rs.)

December 31, 2024	**Less than 1 year**	**1-2 years**	**3-5 years**	**Beyond 5 years**	**Total**
Trade and other payables	14,054,219	-	-	-	**14,054,219**
Derivative Liabilities	-	-	-	-	**-**
Lease Liabilities	36,123,480	37,639,944	43,819,283	-	**117,582,707**
Other financial liabilities	54,497,617	-	-	-	**54,497,617**
	104,675,316	37,639,944	43,819,283.13	-	**186,134,544**

December 31, 2023	**Less than 1 year**	**1-2 years**	**3-5 years**	**Beyond 5 years**	**Total**
Trade and other payables	9,516,345	-	-	-	**9,516,345**
Derivative Liabilities	225,127	8,100	-	-	**233,227**
Lease Liabilities	29,514,724	30,329,307	65,283,828	-	**125,127,858**
Other financial liabilities	78,020,838	-	-	-	**78,020,838**
	117,277,034	30,337,407	65,283,828	-	**212,898,268**

Interest rate risk

The company does not have any debt. The balances with banks is in the form of current account deposit. Accordingly, the company is not exposed to significant interest rate risk.

Capital management

The Company's objectives when managing capital is to maintain optimal capital structure to continue to provide for adequate capital in the business, returns for shareholders and benefits for other stakeholders in the form of dividends, return of capital or issue of new shares.

GUNVANTLAL J. SHAH & CO. CHARTERED ACCOUNTANTS AHMEDABAD

MOBIQUITY SOFTECH PRIVATE LIMITED
REGISTERED OFFICE: 5th FLOOR, TOWER B, PRIVILON, B/H ISKON TEMPLE, AMBLI BRT ROAD, AHMEDABAD - 380 059 IN
CIN : U72200GJ2010PTC062188
NOTES TO THE FINANCIAL STATEMENTS

26 Aging for Trade Payables outstanding as at December 31, 2024 is as follows:

31 December 2024	Current						
Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-		-	-	-	-
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	-	-	2,010,660	-	-	-	2,010,660
(iv)Disputed dues - Others	-	-	-	-	-	-	-
	-	-	2,010,660	-	-	-	2,010,660

Accrued Expenses	12,043,559
	14,054,219

Ageing for Trade Payables outstanding as at December 31, 2023 is as follows:

31 December 2023	Current						
Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	-	-	3,726,151	-	-	-	3,726,151
(iv)Disputed dues - Others	-	-	-	-	-	-	-
	-	-	3,726,151	-	-	-	3,726,151

Accrued Expenses	5,790,194
	9,516,345

GUNVANTLAL J. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

MOBIQUITY SOFTECH PRIVATE LIMITED
REGISTERED OFFICE: 5th FLOOR, TOWER B, PRIVILON, B/H ISKON TEMPLE, AMBLI BRT ROAD, AHMEDABAD - 380 059 IN
CIN : U72200GJ2010PTC062188
NOTES TO THE FINANCIAL STATEMENTS

27 Aging for Trade Receivables outstanding as at December 31, 2024 is as follows:

31 December 2024	**Current**							
Particulars	**Unbilled Dues**	**Not Due**	**Outstanding for following periods from due date of Receipts**					
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	**Total**
(i) Undisputed Trade receivables – considered good	148,569,195	-	623,242,035	-	-	-	-	771,811,230
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	-	-	-	-
	148,569,195	-	623,242,035	-	-	-	-	771,811,230

Ageing for Trade Receivables outstanding as at December 31, 2023 is as follows:

31 December 2023	**Current**							
Particulars	**Unbilled Dues**	**Not Due**	**Outstanding for following periods from due date of Receipts**					
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	**Total**
(i) Undisputed Trade receivables – considered good	-	-	563,203,165	-	-	-	-	563,203,165
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	-	-	-	-
	-	-	563,203,165	-	-	-	-	563,203,165

GUNVANTLAL J. SHAH & CO.
AHMEDABAD
CHARTERED ACCOUNTANTS

MOBIQUITY SOFTECH PRIVATE LIMITED
REGISTERED OFFICE: 5th FLOOR, TOWER B, PRIVILON, B/H ISKON TEMPLE, AMBLI BRT ROAD, AHMEDABAD - 380 059 IN
CIN : U72200GJ2010PTC062188
NOTES TO THE FINANCIAL STATEMENTS

28 Contingent liabilities
There is no Contingent liabilities as at December 31, 2024.

29 Material events after Balance Sheet date
There is no significant event after reporting date which requires amendments or disclosure to the condensed financial statements.

30 The company operates under one segment and no separate disclosure is made. The company provides Software development services and provides services to customer based in only one geographic location

31 Approval of financial statements
The financial statements were approved for issue by the Board of Directors on 18th February, 2025

32 Figures of Previous years are regrouped and reclassified wherever necessary.

HO
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573 Mount Road
Chennai 600006, INDIA
Tel: +91 44 2434 9866, +91 44 2434 9867

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Softcrylic Technology Solutions India Private Limited

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying Special Purpose Financial Statements of **Softcrylic Technology Solutions India Private Limited** ("the Company"), which comprises the Balance Sheet as at December 31, 2024, the Statement of Profit and Loss including other comprehensive income, Statement of changes in equity and the Statement of cash flows for the period from May 4, 2024 to December 31, 2024, and notes to the Special Purpose Financial Statements, including a summary of material accounting policies ("together referred to as " Special Purpose Financial Statements"). These Special Purpose Financial Statements have been prepared by the Management of the Company in accordance with Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other recognised accounting principles generally accepted in India.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Special Purpose Financial Statements give a true and fair view of the financial position of the Company as at December 31, 2024, and of its financial performance, changes in equity and cash flows for the period from May 4, 2024 to December 31, 2024, in accordance with Ind AS and other recognised accounting principles.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under Section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the special purpose financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the special purpose financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter -Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2.1 to the special purpose financial statements, which describes the basis of preparation. These special purpose financial statements is prepared to assist the Company in complying with the financial reporting provisions of Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other recognised accounting principles generally accepted in India, for the purpose of inclusion of these special purpose financials statements in the consolidated financial statements of its Holding Company, Hexaware Technologies Limited. As a result, these Special Purpose Financial Statements may not be suitable for another purpose.

Our report is intended solely for the use of the management and Board of Directors of the Company and should not be distributed to or used by any other parties. M S K C & Associates LLP shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those charged with Governance for Special Purpose Financial Statements

The management of the Company is responsible for the preparation and fair presentation of these Special Purpose Financial Statements in accordance with the financial reporting provisions of Ind AS and other recognised accounting principles generally accepted in India, and this includes design, implementation and maintenance of such internal control as management determines is necessary to enable the preparation of these Special Purpose Financial Statements that are free from material misstatement whether due to fraud or error.

In preparing the Special Purpose Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating 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 special purpose financial statements

Our objectives are to obtain reasonable assurance about whether the special purpose financial statements is 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 SAs 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 special purpose financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the special purpose financial statements.

Other Matters

These Special Purpose financial Statements for the period ended December 31, 2024 has been prepared by the management of Company as per the basis stated and only for the purpose mentioned in the Note 2.1 to the Special Purpose financial Statements which were approved by the Board of Directors of the Company. Accordingly, the management of the Company has not presented the corresponding comparative figures in this Special Purpose financial Statements.

Our opinion is not modified in respect of this matter.

For M S K C & Associates LLP (Formerly known as M S K C & Associates)
Chartered Accountants
ICAI Firm Registration Number: 001595S/S000168

PATTABIRAMAN SHANKAR RAMAN
Digitally signed by PATTABIRAMAN SHANKAR RAMAN
Date: 2025.02.24 20:33:13 +05'30'

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P. Shankar Raman
Partner
Membership No. 204764
UDIN: 25204764BMUJIS4085

Place: Chennai
Date: February 24, 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS OF SOFTCRYLIC TECHNOLOGY SOLUTIONS INDIA PRIVATE LIMITED

Auditor's Responsibilities for the Audit of the special purpose financial statements

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

- Identify and assess the risks of material misstatement of the special purpose 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 expressing our opinion on whether the company has internal financial controls with reference to special purpose financial statements in place and the operating effectiveness of such 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 special purpose 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 special purpose financial Statements, including the disclosures, and whether the special purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

For M S K C & Associates LLP (Formerly known as M S K C & Associates)
Chartered Accountants
ICAI Firm Registration Number: 001595S/S000168

PATTABIRAMAN SHANKAR RAMAN
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Date: 2025.02.24 20:33:44 +05'30'

P. Shankar Raman
Partner
Membership No. 204764
UDIN: 25204764BMUJIS4085

Place: Chennai
Date: February 24, 2025

Softcrylic Technology Solutions India Private Limited

Registered Office: 5th Floor, Kochar Globe, South Phase, Ambedkar Nagar, SIDCO Industrial Estate, Chennai, Tamil Nadu, India, 600032

CIN: U72200TN2002PTC049611

(Amount in INR unless otherwise stated)

Special Purpose Balance Sheet as on December 31, 2024

	Note No.	As at December 31, 2024
ASSETS		
Non-current assets		
Property, plant and equipment	5	61,35,737
Right-of-use assets	4A	1,48,19,948
Other intangible assets	6	4,13,892
Financial assets:		
Other financial assets	8	68,23,995
Deferred tax assets (net)	7	61,87,359
Income tax assets (net)		12,40,759
Other non-current assets	9A	26,651
Total non-current assets		**3,56,48,341**
Current assets		
Financial assets:		
Cash and cash equivalents	10A	9,54,37,110
Other bank balances	10B	10,000
Other current assets	9B	1,15,04,429
Total current assets		**10,69,51,539**
TOTAL ASSETS		**14,25,99,880**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	11	26,06,440
Other equity		8,36,20,923
Total equity		**8,62,27,363**
Non-current liabilities		
Financial liabilities:		
Lease liabilities	4B	25,20,260
Provisions	15A	2,07,36,980
Total non-current liabilities		**2,32,57,240**
Current liabilities		
Financial liabilities:		
Lease liabilities	4B	1,42,41,557
Trade payables	13	
Dues of micro enterprises and small enterprises		82,818
Dues of other than micro enterprises and small enterprises		54,01,943
Other financial liabilities	12	13,74,106
Other current liabilities	14	1,14,23,169
Provisions	15B	5,91,684
Total current liabilities		**3,31,15,277**
Total liabilities		**5,63,72,517**
TOTAL EQUITY AND LIABILITIES		**14,25,99,880**

The accompanying notes 1 to 28 form an integral part of the Special Purpose Financial Statements.
As per our report of even date attached

For M S K C & Associates LLP
(Formerly known as M S K C & Associates)
Chartered Accountants
Firms' registration number : 001595S / S000168

For and on behalf of the Board of Directors of Softcrylic Technology Solutions India Private Limited
CIN: U72200TN2002PTC049611

PATTABIRAMAN SHANKAR RAMAN Digitally signed by PATTABIRAMAN SHANKAR RAMAN Date: 2025.02.24 20:34:15 +05'30'

VIKASH KUMAR JAIN Digitally signed by VIKASH KUMAR JAIN Date: 2025.02.24 19:24:54 +05'30'

BHARATH T SRITHARAN Digitally signed by BHARATH T SRITHARAN Date: 2025.02.24 19:37:21 +05'30'

P Shankar Raman	**Vikash Kumar Jain**	**Bharath T Sritharan**
Partner	***Director***	***Director***
Membership number: 204764	DIN 07823957	DIN 02260140
Place: Chennai	Place: Mumbai	Place: United States of America
Date: February 24, 2024	Date: February 24, 2024	Date: February 24, 2024

Softcrylic Technology Solutions India Private Limited

Registered Office: 5th Floor, Kochar Globe, South Phase, Ambedkar Nagar, SIDCO Industrial Estate, Chennai, Tamil Nadu, India, 600032

CIN: U72200TN2002PTC049611

(Amount in INR unless otherwise stated)

Special Purpose Statement of Profit and Loss for the period ended December 31, 2024

	Note No.	For the period ended December 31, 2024
INCOME		
Revenue from operations	16	34,81,96,257
Other income	17	14,33,223
TOTAL INCOME		**34,96,29,480**
EXPENSES		
Employee benefits expense	18	25,17,23,893
Finance costs	20	12,77,524
Depreciation and amortisation expense	21	1,11,24,067
Other expenses	19	1,60,06,345
TOTAL EXPENSES		**28,01,31,829**
PROFIT BEFORE TAX		**6,94,97,651**
Tax expense		
Current tax		1,09,28,099
Deferred tax charge / (credit)	7	(14,47,881)
Total tax expense		**94,80,218**
PROFIT FOR THE PERIOD		**6,00,17,433**
OTHER COMPREHENSIVE INCOME (OCI)		
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of defined benefit plan		(22,23,549)
Income tax relating to items that will not be reclassified to profit or loss		5,59,623
TOTAL OTHER COMPREHENSIVE INCOME		**(16,63,926)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**5,83,53,507**
Earnings per equity share:- Basic and diluted (INR)*	22	
Basic		230.27
Diluted		230.27

**Not annualised*

The accompanying notes 1 to 28 form an integral part of the Special Purpose Financial Statements.

As per our report of even date attached

For M S K C & Associates LLP
(Formerly known as M S K C & Associates)
Chartered Accountants
Firms' registration number : 001595S / S000168

For and on behalf of the Board of Directors of Softcrylic Technology Solutions India Private Limited
CIN: U72200TN2002PTC049611

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P Shankar Raman
Partner
Membership number: 204764
Place: Chennai
Date: February 24, 2024

Vikash Kumar Jain
Director
DIN 07823957
Place: Mumbai
Date: February 24, 2024

Bharath T Sritharan
Director
DIN 02260140
Place: United States of America
Date: February 24, 2024

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(Amount in INR unless otherwise stated)

Special Purpose Statement of Changes in Equity for the period ended December 31, 2024.

A. EQUITY SHARE CAPITAL

Balance as at May 04, 2024	Changes in equity share	Balance as at December 31, 2024
26,06,440	**-**	**26,06,440**

B. OTHER EQUITY

	Reserves and surplus			Total equity
	Securities premium	Capital redemption reserve	Retained earnings	
Balance as at May 04, 2024 *	66,89,353	1,00,000	1,84,78,063	2,52,67,416
Profit for the period	-	-	6,00,17,433	6,00,17,433
Other comprehensive income (net of tax)	-	-	(16,63,926)	(16,63,926)
Total comprehensive income	**-**	**-**	**5,83,53,507**	**5,83,53,507**
Balance as at December 31, 2024	**66,89,353**	**1,00,000**	**7,68,31,570**	**8,36,20,923**

* Opening balance of Retained Earnings has been adjusted for deferred tax arising out of IND AS Transition

Nature and purpose of reserves

a **Securities premium**

Securities premium is used to record the premium received on issue of shares to be utilized in accordance with the provisions of the Companies Act, 2013 (the Act).

b **Capital redemption reserve**

Capital redemption reserve is created on buy-back of the equity shares in accordance with the provisions of the Act.

c **General reserve**

General reserve represents appropriation of profits by the Company.

d **Retained earnings**

Retained earnings comprise of the accumulated undistributed earnings.

The accompanying notes 1 to 28 form an integral part of the Special Purpose Financial Statements.
As per our report of even date attached

For M S K C & Associates LLP
(Formerly known as M S K C & Associates)
Chartered Accountants
Firms' registration number : 001595S / S000168

For and on behalf of the Board of Directors of Softcrylic Technology Solutions India Private Limited
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P Shankar Raman
Partner
Membership number: 204764
Place: Chennai
Date: February 24, 2024

Vikash Kumar Jain
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Place: Mumbai
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CIN: U72200TN2002PTC049611

(Amount in INR unless otherwise stated)

Special Purpose Statement of Cash Flows for the period ended December 31, 2024.	**For the period ended December 31, 2024**
Cash flow from operating activities	
Profit before tax	**6,94,97,651**
Adjustments for:	
Depreciation and amortization expense	1,11,24,067
Finance costs	12,77,524
Operating profit before working capital changes	**8,18,99,242**
Adjustments for:	
Trade receivables and other assets	(22,16,421)
Trade payables, other liabilities and provisions	(1,62,69,004)
Cash generated from operations	**6,34,13,817**
Direct taxes paid (net)	(1,41,80,648)
Net cash used in operating activities	**4,92,33,169**
Cash flow from investing activities	
Purchase of PPE	(8,17,743)
Net cash used in investing activities	**(8,17,743)**
Cash flow from financing activities	
Payment of lease liabilities (Refer to note 4B)	(96,45,600)
Interest paid	(47,804)
Net cash used in financing activities	**(96,93,404)**
Net decrease in cash and cash equivalents	**3,87,22,022**
Cash and cash equivalents at the beginning of the period	5,67,15,088
Cash and cash equivalents at the end of the period (Refer to note 10)	**9,54,37,110**

The statement of cash flows has been prepared using the indirect method as set out in Ind AS 7.

The accompanying notes 1 to 28 form an integral part of the Special Purpose Financial Statements.

As per our report of even date attached

For M S K C & Associates LLP
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Chartered Accountants
Firms' registration number : 001595S / S000168

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P Shankar Raman
Partner
Membership number: 204764
Place: Chennai
Date: February 24, 2024

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Vikash Kumar Jain
Director
DIN 07823957
Place: Mumbai
Date: February 24, 2024

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Bharath T Sritharan
Director
DIN 02260140
Place: United States of America
Date: February 24, 2024

1 Company Overview

Softcrylic Technology Solutions India Private Limited is a Private company incorporated in India.The company is data consulting firm. It offers engineering, data science, and other services. The company specializes in the service areas of data visualization, marketing technology, etc.
On dated May 03, 2024 , Hexaware Technologies Limited (Parent Company) acquired 100% ownership of Softcrylic Technology Solutions India Private Limited from Softcrylic LLC

2 Material Accounting Policies

2.1 Basis of Preparation

These Special Purpose Financial Statements of Softcrylic Technology Solutions India Private Limited (hereinafter referred as "the Company") which comprises the Special Purpose Balance Sheet as at December 31, 2024, and the Special Purpose Statement of Profit and Loss including other comprehensive income, the Special Purpose Statement of changes in equity and the Special Purpose Statement of cash flows for the period May 04, 2024 to December 31, 2024, and related notes to the special purpose financial statements, including a summary of material accounting policies ("together referred to as "the Special Purpose Financial Statements") have been prepared by the management of the Company in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act, solely for the purposes of reporting to the management of Hexaware Technologies Limited ("the Holding Company", with effect from May 03, 2024) for the purpose of preparing their Consolidated financial statements"), and accordingly, may not be suitable for any other purpose other than for the purpose stated above.

These Special purpose financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which is measured at fair value or amortised cost at the end of each reporting period. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.
The Company has prepared the Special Purpose Financial Statements on the basis that it will continue to operate as a going concern.

These Special purpose financial Statements have been prepared in INR , which is the functional currency of the Company.

The beginning date for the preparation of the special purpose financial statement is May 04, 2024 and hence there are no comparative.

2.2 Use of estimates and judgements

The preparation of special purpose financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of special purpose financial statements and the reported amounts of income and expenses for the periods presented.

The Company uses the following critical accounting estimates in preparation of its special purpose financial statements:

2.2.1 Income-tax

The tax jurisdiction for the Company is India. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax on unrecognised tax benefits. Tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.2.2 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2 Material Accounting Policies *(Continued)*

2.2.3 Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2.2.4 Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

2.2.5 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.3 Revenue Recognition

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.In case of a contract on time and material basis, transaction-based or volume-based contracts, revenue is recognized when the related services are performed.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Company recognizes an onerous cost provision for the estimated losses in the statement of profit and loss, when the total estimated cost exceeds the revenue in an arrangement based on the current contract estimates.

2.4 Leases

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.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use ("RoU") asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less (short term leases) and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an rent expense on a straight-line basis over the lease term

The RoU assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The RoU assets are depreciated using the straight-line method from the commencement date over the shorter of lease term and useful life of RoU asset. The estimated useful lives of RoU assets are determined on the same basis as those of property, plant and equipment. RoU assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

2 Material Accounting Policies *(Continued)*

2.4 Leases (Continued)

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the RoU asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the RoU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the RoU asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 to allocate the consideration in the contract.

2.5 Functional and presentation currency

Foreign currency

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rate prevailing on the date of the Balance Sheet. The resulting exchange difference on such restatement and settlement is recognized in the profit or loss, except exchange differences on transactions entered into in order to hedge certain foreign currency risk.
Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.
Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date of Balance Sheet. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. Items in the statement of profit or loss have been translated using average exchange rates. Translation adjustments have been reported as foreign currency translation reserve in Other comprehensive income.

2.6 Employee Benefits

a) Post-employment benefits and other long term benefit plan

Payments to defined contribution retirement schemes are recognised as an expense when the employees have rendered service entitling them to such benefits.

For defined benefit schemes and other long term benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at balance sheet date. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest) is reflected immediately in the balance sheet with a charge or credit recognized in the other comprehensive income in respect of defined benefit schemes and in the statement of profit and loss in respect of other long term benefit plans in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in the profit or loss in the period of plan amendment. The retirement benefit liability recognized in the statement of financial position represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the lower of the amount determined as the defined benefit liability and the present value of available refunds and / or reduction in future contributions to the scheme.

The service cost (including past service cost as well as gains and losses on settlement and curtailments) and net interest expenses or income is recognised as employee benefits expense in the profit or loss.

b) Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

c) Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

2.7 Taxes on Income

Income tax expense comprises of current tax and deferred tax. Current and deferred tax are recognised in net income, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.
Advance taxes and provisions for current income taxes are presented in the Balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the entity intends to settle the asset and liability on a net basis.
Deferred taxes are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profits, except when the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profit at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.
The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be utilised.

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

For operations under tax holiday scheme, deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

2.8 Property, plant and equipment (PPE)

PPE are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

2 Material Accounting Policies *(Continued)*

2.8 Property, plant and equipment (PPE) (Continued)

Depreciation

Depreciation is provided on straight-line method based on the estimated useful lives of the assets as determined by the management based on the expert technical advice/ stipulations of Schedule II to the Act.

Asset Class	Estimated useful Life
Computer Systems (included in Plant and Machinery)	3 years
Office Equipment	3-5 years
Electrical Fittings (included in Plant and Machinery)	8 years
Furniture and Fixtures	3-8 years

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

2.9 Intangible assets and amortisation

Intangible assets with finite useful lives that are acquired are initially recognised at cost in case of separately acquired assets and at fair value in case of acquisition in business combination. Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortisation and impairment loss, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. Following table summarises the nature of intangibles and the estimated useful lives.

Asset Class	Estimated useful Life
Software licenses	3 years

Amortisation method, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An intangible asset is derecognised on disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

2.10 Impairment

a) Financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset in form of trade receivables and unbilled receivables is impaired. In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivables and unbilled receivables. The provision matrix is based on available external and internal credit risk factors such as credit default, credit rating from credit rating agencies and Company's historically observed default rates over the expected life of trade receivables and unbilled receivables. ECL impairment loss allowance or reversal is recognized during the period as expense or income respectively in the statement of profit and loss. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

In case of Investments, the Company yearly reviews its carrying value of investments for indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

b) Non-financial assets

Tangible, Intangible and Right-of-use assets

At the end of each reporting year, the Company assesses whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs or allocated. Impairment loss is charged to the profit or loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting year is reversed if there has been a change in the estimate of recoverable amount.

In case of reversal of impairment loss, the increased carrying amount shall not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

2.11 Provisions and contingent liability

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the Company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract is lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2 Material Accounting Policies *(Continued)*

2.12 Non derivative financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

A Financial assets and financial liabilities

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

(iii) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

(iv) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(v) Financial liabilities

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

B Derecognition of financial assets and financial liablities

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

C Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

2.13 Earnings per share ('EPS')

Basic EPS is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.14 Dividend and interest income

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the period ended December 31,2024 MCA has notified Ind AS 117 – Insurance Contracts applicable to the Company w.e.f. January 1, 2025. The Company has reviewed the new standard and based on its evaluation has determined that it does not have any significant impact in its financial information.

Softcrylic Technology Solutions India Private Limited

Registered Office: 5th Floor, Kochar Globe, South Phase, Ambedkar Nagar, SIDCO Industrial Estate, Chennai, Tamil Nadu, India, 600032

CIN: U72200TN2002PTC049611

(Amount in INR unless otherwise stated)

Notes forming part of Special Purpose Financial Statements for the period ended December 31, 2024

4 Right-of-use assets and lease liabilities

A Right-of-use assets

	Office premises
Cost as at May 04, 2024	3,81,08,441
Additions	-
Deletion	-
Cost as at December 31, 2024	**3,81,08,441**
Accumulated amortization as at May 04, 2024	1,48,19,950
Amortisation for the period	84,68,543
Remeasurement / adjustment	-
Accumulated amortization as at December 31, 2024	**2,32,88,493**
Net carrying amount as at December 31, 2024	**1,48,19,948**

The maturity analysis of lease liabilites is covered under Note 24 - Financial instruments.

B Lease liabilities

	Opening Balance	Payment of lease liabilities	Net additions to lease liability (non-cash)	Closing Balance
December 31, 2024	2,51,77,697	96,45,600	12,29,720	1,67,61,817

5 Property, plant and equipment

	Plant and Machinery [1]	Furniture and Fixtures	Office Equipment	Total
Cost as at May 04, 2024	2,95,66,606	45,415	3,77,075	2,99,89,096
Additions	7,61,753	-	55,990	8,17,743
(Disposals) / (Adjustments)	-	-	-	
Cost as at December 31, 2024	3,03,28,359	45,415	4,33,065	3,08,06,839
Accumulated depreciation as at May 04, 2024 [2]	2,20,02,313	32,212	2,25,746	2,22,60,271
Depreciation for the period	23,83,266	1,763	25,802	24,10,831
(Disposals) / (Adjustments)	-	-	-	-
Accumulated depreciation as at December 31, 2024	2,43,85,579	33,975	2,51,548	2,46,71,102
Net carrying amount as at December 31, 2024	**59,42,780**	**11,440**	**1,81,517**	**61,35,737**

Note:

1 Plant and machinery includes computer systems.

2 Accumulated depreciation have been adjusted for reclass entry from Intangible asset amounting to Rs 1,22,908

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Notes forming part of Special Purpose Financial Statements for the period ended December 31, 2024

6 Intangible assets

	Software licenses
Cost as at May 04, 2024	11,94,832
Additions	-
Disposals/Adjustments	-
Cost as at December 31, 2024	11,94,832
Accumulated amortization as at May 04, 2024 [2]	5,36,247
Amortisation for the period [1]	2,44,693
Disposals/Adjustment	
Accumulated amortization as at December 31, 2024	7,80,940
Net carrying amount as at December 31, 2024	4,13,892

Notes

1. Amortisation is included under the line item “Depreciation and amortisation expenses" in the special purpose statement of profit and loss.
2. Accumulated amortisation have been adjusted for reclass entry to Property Plant & Equipment amounting to Rs1,22,908

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(Amount in INR unless otherwise stated)

Notes forming part of Special Purpose Financial Statements for the period ended December 31, 2024

7 Deferred tax

A Components and movement in deferred tax assets and liabilities is as follows :

Significant components of net deferred tax assets and liabilities:

Components of deferred taxes:	May 04, 2024 *	Recognised in profit or loss	Recognised in OCI	December 31, 2024
Deferred tax assets				
Employee benefit obligations	40,19,896	11,32,717	5,59,623	57,12,236
Lease Liability	33,87,794	8,43,353	-	42,31,147
Total Deferred tax assets	74,07,690	19,76,070	5,59,623	99,43,383
Deferred tax liabilities				
Property, plant and equipments	(1,69,496)	1,83,101	-	13,606
ROU-Asset	33,97,329	3,45,088	-	37,42,418
	32,27,833	5,28,189	-	37,56,024
Net deferred tax assets	41,79,857	14,47,881	5,59,623	61,87,359

* Opening balance has been adjusted for DT on Ind AS transition

8 Other financial assets

Other financial assets – Non-current	As at December 31, 2024
Security deposits for premises and others	68,23,995
Total	68,23,995

9 Other assets

A Other assets – Non-current	As at December 31, 2024
Prepaid expenses	26,651
Total	26,651

B Other assets – Current	As at December 31, 2024
Prepaid expenses	5,31,212
Indirect taxes recoverable	1,09,53,217
Employee advances	20,000
Total	1,15,04,429

10 Cash and cash equivalents

	As at December 31, 2024
A In current accounts with banks	9,54,37,110
Unclaimed Dividend Account	10,000
	9,54,47,110
Less - Restricted Bank Balance	(10,000)
Total	9,54,37,110

B Other bank balances	As at December 31, 2024
Unclaimed Dividend Account	10,000
Total	10,000

(Amount in INR unless otherwise stated)

Notes forming part of Special Purpose Financial Statements for the period ended December 31, 2024

11 Equity

		As at December 31, 2024
11.1	**Authorised capital**	
	2,000,000 Equity shares of Rs. 10 each	2,00,00,000

		As at December 31, 2024
11.2	**Issued, subscribed and paid-up capital**	
	2,60,644 Equity shares of Rs. 10 each	26,06,440

		As at December 31, 2024
11.3	**Reconciliation of number of shares**	
	Shares outstanding at the beginning of the period	2,60,644
	Shares issued during the period on exercise of employee stock options	-
	Shares outstanding at the end of the period	**2,60,644**

11.4 Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

11.5 Details of shares held by shareholders holding more than 5% shares

Name of the shareholder		As at December 31, 2024
Hexaware Technologies Limited	No. of shares held	2,60,644
	% of holding	100%

11.6 On Dated May 03, 2024 , Hexaware Technologies Limited (Parent Company) acquired 100% ownership interest of Softcrylic Technology Solutions India Pvt. Ltd from Softcrylic LLC. The Company had transfered all the shares in the name of Hexaware Technologies Limited.

11.7 Disclosure of shareholding of promoters

Disclosure of shareholding of promoters as at 31st December, 2024

	As at December 31, 2024	
	No of Shares	**% of total shares**
Hexaware Technologies Limited	2,60,644	100%

12 Other financial liabilities

	As at December 31, 2024
Other financial liabilities - Current	
Employee liabilities	13,74,106
	13,74,106

13 Trade payables

		As at December 31, 2024
A	**Dues of other than micro enterprises and small enterprises**	
	Trade payables	12,60,168
	Accrued expenses	41,41,775
		54,01,943
B	**Dues of micro enterprises and small enterprises**	82,818
		54,84,761

(Amount in INR unless otherwise stated)

Notes forming part of Special Purpose Financial Statements for the period ended December 31, 2024

13 Trade Payable Ageing

Ageing for trade payable outstanding as at December 31, 2024 is as follows

	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables						
MSME	82,818	-	-	-	-	82,818
Others	12,38,068	-	-	-	22,100	12,60,168
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
	13,20,886	-	-	-	22,100	13,42,986
Accrued expense						41,41,775
						54,84,761

14 Other liabilities

Other liabilities - Current	**As at December 31, 2024**
Statutory liabilities	1,14,23,169
Total	1,14,23,169

15 Provisions

A Provisions - Non-current	**As at December 31, 2024**
Employee benefit obligations in respect of gratuity and others	1,86,84,182
Employee benefit obligations in respect of compensated absences and others	20,52,798
Total	2,07,36,980

B Provisions - Current	**As at December 31, 2024**
Employee benefit obligations in respect of Gratuity and others	5,77,762
Employee benefit obligations in respect of compensated absences and others	13,922
Total	5,91,684

(Amount in INR unless otherwise stated)

Notes forming part of Special Purpose Financial Statements for the period ended December 31, 2024

16 Revenue

16.1 Revenue disaggregation by geography is as follows:

	For the period ended December 31, 2024
Geography	
Americas [1]	34,81,96,257
Total	**34,81,96,257**

Notes :

[1] is entirely related to operations in United States of America.

16.2 Revenue disaggregation by nature of service is as follows:

	For the period ended December 31, 2024
Revenue from contracts with customers	34,81,96,257
	34,81,96,257

16.3 Revenue disaggregation by contract type is as follows:

	For the period ended December 31, 2024
Offshore	34,81,96,257
Onshore	-
Others	-
Total revenue from operations	**34,81,96,257**

17 Other income

	For the period ended December 31, 2024
Exchange rate difference (net)	14,21,581
Miscellaneous income	11,642
Total	**14,33,223**

Softcrylic Technology Solutions India Private Limited

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(Amount in INR unless otherwise stated)

Notes forming part of Special Purpose Financial Statements for the period ended December 31, 2024

18 Employee benefits expense	For the period ended December 31, 2024
Salary and allowances	24,09,45,256
Contributions to provident and other funds	81,38,443
Staff welfare expenses	26,40,194
Total	**25,17,23,893**

19 Other expenses	For the period ended December 31, 2024
Rates and taxes	1,51,068
Travelling and conveyance	8,15,579
Communication expenses	7,50,270
Repairs and maintenance	2,82,522
Printing and stationery	24,860
Audit fees	16,00,000
Legal and professional fees	3,78,143
Bank and other charges	1,04,394
Insurance charges	3,106
Subcontracting charges	97,78,710
Staff recruitment expenses	5,27,980
Cost of Software Licenses	13,38,262
Miscellaneous expenses	2,51,451
Total	**1,60,06,345**

20 Finance costs	For the period ended December 31, 2024
Interest on lease liabilities	12,29,720
Others	47,804
Total	**12,77,524**

21 Depreciation and amortisation expense	For the period ended December 31, 2024
Depreciation on Property, plant and equipment	24,10,831
Amortisation of RoU	84,68,543
Amortisation of Intangibles	2,44,693
Total	**1,11,24,067**

22 Earnings per share (EPS)	For the period ended December 31, 2024
The components of basic and diluted EPS:	
Net profit after tax	6,00,17,433
Weighted average outstanding equity shares considered for basic EPS	2,60,644
Basic earnings per share	230.27
Weighted average outstanding equity shares considered for basic EPS	2,60,644
Add -Effect of dilutive issue of stock options	-
Weighted average outstanding equity shares considered for diluted EPS	2,60,644
Diluted earnings per share	230.27
Face Value	10

23 Related party disclosures

Names of related parties

Ultimate Holding Company

Hexware Global Limited	Mauritius

Holding Company (control exists)

Hexaware Technologies Limited	India

Fellow Subsidiaries

Softcrylic LLC	United States of America

Key Management Personnel (KMP)

Director

Bharath T Sritharan

Details of transactions and balances with party wise details for transactions in excess of 10% of the total transactions

Nature of transactions

Software and consultancy income	**Name of the Related party and Relationship**	**For the period ended December 31, 2024**
	Fellow subsidiaries	
	Softcrylic LLC	34,81,96,257
		34,81,96,257

24 Financial Instruments

(i) The carrying value / fair value of financial instruments (other than investment in subsidiaries and associates) by categories as at December 31, 2024 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	9,54,37,110	-	-	-	9,54,37,110
Other bank balances	10,000	-	-	-	10,000
Other financial assets	68,23,995	-	-	-	68,23,995
Total	**10,22,81,105**	**-**	**-**	**-**	**10,22,81,105**
Trade payables	54,84,761	-	-	-	54,84,761
Lease liabilities	1,67,61,817	-	-	-	1,67,61,817
Other financial liabilities	13,74,106	-	-	-	13,74,106
Total	**2,36,20,684**	**-**	**-**	**-**	**2,36,20,684**

(ii) Fair value hierarchy

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability

As on December 31 , 2024, The Company doesn't have any financial assets or liabilities that to be measured at fair value in above grouping

(iii) Financial risk management

The Company has identified the risks under verticals like Geographic and client concentration risk, credit risk, foreign currency fluctuation risk and liquidity risk. The Company has formulated policies, procedures and strategies for managing risks, after consultation with all business units, functions and department heads.

Geographic and client concentration risk

During the period ended , Americas contributed 100 % of the Company's total revenue. The Company continues to expand its global footprint to diversify geographic concentration though Americas remains largest market for the IT industry. The Company's exposure to the US regions is in line with the global industry practices. The Company will continue to invest in the region. There are a number of other growth factors in Americas such as favour for capitalism, highest per capita income, innovation driven culture and focus to retain high end work that allow us to identify and address the pockets of inefficiencies in the most optimum way.

The Company's growth strategy involves a mix of new client addition and mining the accounts of existing clients. As the Company adds more clients and grow revenues from the existing clients, it reduces dependence on the large clients. Moreover, large clients allow quick scaling up of revenues and they come with higher margins due to lower associated cost and higher cost predictability.

Notes

1 Carrying amount of cash and cash equivalents, other financial assets, trade payables, lease liabilities and other financial liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant in each of the period presented.

(Amount in INR unless otherwise stated)

Notes forming part of Special Purpose Financial Statements for the period ended December 31, 2024

24 Financial Instruments (Continued)

Credit Risk

Entire accounts receivable is from the fellow subsidiary and the company does not expect delay, default or inability on the part of the fellow subsidiary to pay that will expose the company to credit risk.

The Company has adopted an effective receivable management system to control the Days' Sales Outstanding (DSO). Refer to note for the age wise analysis of trade receivables that are not due as well as past due and allowance for the doubtful receivables.

Cash and cash equivalents and mutual funds are neither past due nor impaired. Cash and cash equivalents include deposits with banks and financial institution with high credit-ratings assigned by credit-rating agencies. The investment in liquid mutual fund units are measured at fair value through profit and loss.

Interest rate risk

The Company does not have any debt . Hence, the Company is not exposed to significant interest rate risk.

Capital management

The Company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The Company is not subject to any externally imposed capital requirements.

Liquidity risk

The Company needs continuous access to funds to meet short and long term strategic investments. The Company's inability to meet such requirements in stipulated period may hamper growth plan and even ongoing operations. Further, the Company's inability to quickly convert assets into cash without incurring any material loss will expose it to liquidity risks.

Over the years, the Company has increased its liquidity position by managing its DSO and maintaining high cash / bank balance and investments.

As at December 31, 2024 the Company had total cash and bank balance of Rs. 9,54,47,110 which constitutes approximately 66.93 % of total assets.

The tables below provide details of the contractual maturities of significant financial liabilities as at:

As at December 31, 2024	**Less than 1 year**	**1-2 years**	**3-5 years**	**Beyond 5 years**	**Total**
Lease Liabilities - Undiscounted	1,50,63,750	25,30,470	-	-	1,75,94,220
Trade and other payables	68,58,867	-	-	-	68,58,867
Total	**2,19,22,617**	**25,30,470**	**-**	**-**	**2,44,53,087**

Foreign Currency fluctuations Risk

Foreign exchange fluctuations is one of the key risks impacting our business. The offshore part of the revenue remains exposed to the risk of Rupee appreciation which is functional currency of the Company vis-a-vis the US Dollar,as largely, the costs incurred are in Indian Rupees and the revenue/ inflows are in foreign currencies. The contracts we enter into with our customers tend to run across several years and many of these contracts are at fixed rates, therefore any appreciation in the Indian rupee vis-à-vis foreign currencies will affect our margins.

25 Employee benefit plans

Provident Fund, Superannuation fund & other similar funds

During the period, the Company has recognized expenses towards contributions to Provident Fund and other funds and Superannuation Fund of Rs. 81,38,443.

25 Employee benefit plans (Continued)

Gratuity Plan

The following table sets out the status of the gratuity plan

Particulars	For the year ended December 31,2024
<u>Change in Defined Benefit Obligation</u>	
Opening defined benefit obligation	**1,41,49,749**
Current service cost	25,37,787
Past service cost	-
Interest cost	7,23,058
Adjustment for remeasurement of defined benefit plan	
- Actuarial loss/(gains) arising from change in financial assumptions	-
- Actuarial loss/(gains) arising from change in demographical assumptions	-
- Actuarial loss/(gains) arising on account of experience changes	22,23,549
Benefits paid	(3,72,199)
Closing defined benefit obligation (A)	**1,92,61,944**
<u>Change in the Fair Value of Assets</u>	
Opening fair value of plan assets	-
Interest on plan assets	-
Remeasurement due to actual return on plan assets less interest on plan assets	-
Contribution by employer	-
Benefits paid	-
Closing fair value of plan assets (B)	-
Net liability as per actuarial valuation (A-B)	**1,92,61,944**
<u>Expense charged to statement of profit and loss:</u>	
Current service cost	25,37,787
Past service cost	-
Net Interest on defined benefit plan	7,23,058
Total included in Employment Benefit expenses	**32,60,845**
<u>Amount recognised in other comprehensive income:</u>	
Remeasurement of defined benefit plan due to -	
- changes in financial assumptions	-
- changes in demographical assumptions	-
- Experience adjustments	22,23,549
- Actual return on plan assets less interest on plan assets	-
Total amount recognised in other comprehensive income	**22,23,549**

Financial assumptions at the valuation date	For the year ended December 31,2024
Discount rate *	6.96%
Rate of increase in compensation levels of covered employees **	7.50%

Rates of Attrition

Age at valuation date	For the year ended December 31,2024
18-30	30%
31-40	30%
41 & above	30%

* The discount rate is primarily based on the prevailing market yields of Indian government securities for the estimated term of the obligations.

** The estimates of future salary increases considered in actuarial valuation takes into account the inflation, seniority, promotions and other relevant factors.

Sensitivity for significant actuarial assumptions is computed to show the movement in defined benefit obligation by 1 percentage.

As of December 31, 2024, every 1 percentage point increase/ (decrease) in discount rate will result in (decrease)/increase of defined benefit obligation by approximately (21,64,065) Rs and 26,00,271 respectively.

As of December 31, 2024, every 1 percentage point increase/ (decrease) in expected rate of salary will result in increase/ (decrease) of defined benefit obligation by approximately 36,89,883 Rs and (33,64,220) Rs respectively

26 Segment Reporting

Revenue, assets and profits are concentrated in USA .Hence, there are no separate reportable segments as per Ind AS 108 Operating Segments.

27 Contingent Liabilities

As of December 31, 2024, the Company has evaluated its exposure to contingent liabilities and determined that there are no material contingent liabilities that need to be disclosed in the financial statements.

28 Other updates

A The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stake holders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

B **Material events after Balance Sheet date:**

There is no significant event after reporting date which requires amendments or disclosure to these special purpose financial statements.

C **Approval of the financial statements:**

The Special purpose financial statements were approved for issue by the Board of Directors on February 24, 2024

For M S K C & Associates LLP
(Formerly known as M S K C & Associates)
Chartered Accountants
Firms' registration number : 001595S / S000168

PATTABIRAMAN SHANKAR RAMAN
Digitally signed by PATTABIRAMAN SHANKAR RAMAN
Date: 2025.02.24 20:36:11 +05'30'

P Shankar Raman
Partner
Membership number: 204764
Place: Chennai
Date: February 24, 2024

For and on behalf of the Board of Directors of Softcrylic Technology Solutions India Private Limited
CIN: U72200TN2002PTC049611

VIKASH KUMAR JAIN
Digitally signed by VIKASH KUMAR JAIN
Date: 2025.02.24 19:26:34 +05'30'

Vikash Kumar Jain
Director
DIN 07823957
Place: Mumbai
Date: February 24, 2024

BHARATH T SRITHARAN
Digitally signed by BHARATH T SRITHARAN
Date: 2025.02.24 19:39:22 +05'30'

Bharath T Sritharan
Director
DIN 02260140
Place: United States of America
Date: February 24, 2024

MSKC & Associates LLP
(Formerly known as M S K C & Associates)
Chartered Accountants

HO
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Chennai 600006, INDIA
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INDEPENDENT AUDITOR'S REPORT

To the members of Softcrylic LLC

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying Special Purpose Financial Statements of **Softcrylic LLC** ("the Company"), which comprises the Balance Sheet as at December 31, 2024, the Statement of Profit and Loss including other comprehensive income, Statement of changes in equity and the Statement of cash flows for the period from May 4, 2024 to December 31, 2024 and notes to the Special Purpose Financial Statements, including a summary of material accounting policies ("together referred to as " Special Purpose Financial Statements"). These Special Purpose Financial Statements have been prepared by the Management of the Company in accordance with Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other recognised accounting principles generally accepted in India.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Special Purpose Financial Statements give a true and fair view of the financial position of the Company as at December 31, 2024, and of its financial performance, changes in equity and cash flows for the period from May 4, 2024 to December 31, 2024, in accordance with Ind AS and other recognised accounting principles.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under Section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the special purpose financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the special purpose financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter -Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2.1 to the special purpose financial statements, which describes the basis of preparation. These special purpose financial statements is prepared to assist the Company in complying with the financial reporting provisions of Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other recognised accounting principles generally accepted in India, for the purpose of inclusion of these special purpose financials statements in the consolidated financial statements of its Holding Company, Hexaware Technologies Limited. As a result, these Special Purpose Financial Statements may not be suitable for another purpose.

Our report is intended solely for the use of the management and members of the Company and should not be distributed to or used by any other parties. M S K C & Associates LLP shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our opinion is not modified in respect of this matter.

MSKC & ASSOCIATES LLP
Chartered Accountants

Responsibilities of Management and Those charged with Governance for Special Purpose Financial Statements

The management of the Company is responsible for the preparation and fair presentation of these Special Purpose Financial Statements in accordance with the financial reporting provisions of Ind AS and other recognised accounting principles generally accepted in India, and this includes design, implementation and maintenance of such internal control as management determines is necessary to enable the preparation of these Special Purpose Financial Statements that are free from material misstatement whether due to fraud or error.

In preparing the Special Purpose Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating 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 special purpose financial statements

Our objectives are to obtain reasonable assurance about whether the special purpose financial statements is 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 SAs 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 special purpose financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the special purpose financial statements.

Other Matters

These Special Purpose financial Statements for the period ended December 31, 2024 has been prepared by the management of Company as per the basis stated and only for the purpose mentioned in the Note 2.1 to the Special Purpose financial Statements which were approved by the members of the Company. Accordingly, the management of the Company has not presented the corresponding comparative figures in this Special Purpose financial Statements. Our opinion is not modified in respect of this matter.

For M S K C & Associates LLP (Formerly known as M S K C & Associates)
Chartered Accountants
ICAI Firm Registration Number: 001595S/S000168

MSKC & ASSOCIATES LLP Chartered Accountants

P. Shankar Raman
Partner
Membership No. 204764
UDIN: 25204764BMUJIR5864

Place: Chennai
Date: February 24, 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS OF SOFTCRYLIC LLC

Auditor's Responsibilities for the Audit of the special purpose financial statements

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

- Identify and assess the risks of material misstatement of the special purpose 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 expressing our opinion on whether the company has internal financial controls with reference to special purpose financial statements in place and the operating effectiveness of such 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 special purpose 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 special purpose financial Statements, including the disclosures, and whether the special purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

For M S K C & Associates LLP (Formerly known as M S K C & Associates)
Chartered Accountants
ICAI Firm Registration Number: 001595S/S000168

P. Shankar Raman
Partner
Membership No. 204764
UDIN: 25204764BMUJIR5864

Place: Chennai
Date: February 24, 2025

Softcrylic LLC

Registered Office: 718 Washington Ave N., Suite 308, Minneapolis, MN 55401

(Amount in USD unless otherwise stated)

Special Purpose Standalone Balance Sheet as on December 31,2024

	Note No.	As at December 31,2024
ASSETS		
Non-current assets		
Property, plant and equipment	5	19,516
Right-of-use assets	4A	1,70,530
Other Intangible assets	6	22,01,349
Financial assets:		
Investments	8	79
Other financial assets	9A	26,590
Deferred tax assets (net)	7	1,34,083
Income tax assets (net)		7,64,486
Other non-current assets	10A	20,898
Total non-current assets		33,37,525
Current assets		
Financial assets:		
Trade receivables		
Billed	11	31,28,031
Unbilled		20,83,388
Cash and cash equivalents	12	76,39,261
Other financial assets	9B	2,50,000
Other current assets	10B	20,639
Total current assets		1,31,21,319
TOTAL ASSETS		1,64,58,844
EQUITY AND LIABILITIES		
Equity		
Equity share capital	13	2,73,25,098
Other equity		(1,22,97,337)
Total equity		1,50,27,761
Non-current liabilities		
Financial liabilities:		
Lease liabilities	4B	96,432
Total non-current liabilities		96,432
Current liabilities		
Financial liabilities:		
Lease liabilities	4B	1,27,211
Trade payables	15	1,51,679
Other financial liabilities	14	7,91,661
Other current liabilities	16	2,64,100
Total current liabilities		13,34,651
Total liabilities		14,31,083
TOTAL EQUITY AND LIABILITIES		1,64,58,844

The accompanying notes 1 to 29 form an integral part of the special purpose standalone financial statements.
As per our report of even date attached

For M S K C & Associates LLP (Formerly known as MSKC & Associates)
Chartered Accountants
Firms' registration number : 001595S / S000168

P Shankar Raman
Partner
Membership number: 204764
Place: Chennai
Date: February 24, 2025

MSKC & ASSOCIATES LLP Chartered Accountants

For and on behalf of the members of Softcrylic LLC

Kalpesh Bhatt
Officer
Place: United States of America
Date: February 24, 2025

Girish Pai
Officer
Place: United States of America
Date: February 24, 2025

Softcrylic LLC

Registered Office: 718 Washington Ave. N., Suite 208, Minneapolis, MN 55401

(Amount in USD unless otherwise stated)

Special Purpose Standalone Statement of Profit and Loss for the period ended December 31,2024

	Note No.	For the period ended December 31,2024
INCOME		
Revenue from operations	17	2,09,46,422
Other income	18	1,49,655
TOTAL INCOME		2,10,96,077
EXPENSES		
Employee benefits expense	19	95,81,731
Finance costs	21	13,610
Depreciation and amortisation expense	22	3,20,080
Other expenses	20	53,31,884
TOTAL EXPENSES		1,52,47,305
PROFIT BEFORE TAX		58,48,772
Tax expense		
Current tax		-
Deferred tax	7	(1,34,083)
Total tax expense		(1,34,083)
PROFIT FOR THE PERIOD		59,82,855
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		59,82,855
Earnings per equity share:- Basic and diluted (USD.)*		
Basic	23	0.58
Diluted	23	0.58
Not annualised		

The accompanying notes 1 to 29 form an integral part of the special purpose standalone financial statements.
As per our report of even date attached

For M S K C & Associates LLP
(Formerly known as MSKC & Associates)
Chartered Accountants
Firms' registration number : 001595S / S000168

P Shankar Raman
Partner
Membership number: 204764
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(Amount in USD unless otherwise stated)

Special Purpose Standalone Statement of Changes in Equity for the period ended December 31, 2024.

A. EQUITY SHARE CAPITAL

Balance as at May 04, 2024	Changes in equity share capital	Balance as at December 31,2024
2,73,25,098	-	2,73,25,098

B. OTHER EQUITY

	Reserves and surplus		Total equity
	General reserve	Retained earnings	
Balance as at May 04, 2024	38,17,724	(2,20,97,916)	(1,82,80,192)
Profit for the period	-	59,82,855	59,82,855
Other comprehensive income (net of tax)	-	-	-
Total comprehensive income	-	59,82,855	59,82,855
Balance as at December 31,2024	38,17,724	(1,61,15,061)	(1,22,97,337)

Nature and purpose of reserves

a **General reserve**

General reserve represents appropriation of profits by the Company.

b **Retained earnings**

Retained earnings comprise of the accumulated undistributed earnings.

The accompanying notes 1 to 29 form an integral part of the special purpose standalone financial statements.
As per our report of even date attached

For M S K C & Associates LLP
(Formerly known as MSKC & Associates)
Chartered Accountants
Firms' registration number : 001595S / S000168

MSKC & ASSOCIATES LLP Chartered Accountants

P Shankar Raman
Partner
Membership number: 204764
Place: Chennai
Date: February 24, 2025

For and on behalf of the members of Softcrylic LLC

Kalpesh Bhatt
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Place: United States of America
Date: February 24, 2025

Softcrylic LLC

Registered Office: 718 Washington Ave. N., Suite 208, Minneapolis, MN 55401

(Amount in USD unless otherwise stated)

Special Purpose Standalone Statement of Cash Flows for the period ended December 31, 2024

	For the period ended December 31,2024
Cash flow from operating activities	
Profit before tax	58,48,772
Adjustments for:	
Depreciation and amortization expense	3,20,080
Interest income	(67,224)
Write Back	(11,830)
Life time expected credit loss	20,389
Finance costs	13,610
Operating profit before working capital changes	61,23,797
Adjustments for:	
Trade receivables and other assets	11,66,936
Trade payables, other liabilities and provisions	(2,68,94,955)
Cash used in operations	(1,96,04,222)
Direct taxes paid (net)	(7,64,486)
Net cash used in operating activities	(2,03,68,708)
Cash flow from investing activities	
Purchase of PPE and intangible assets including CWIP and capital advances	(21,213)
Interest received	67,224
Net cash generated from investing activities	46,011
Cash flow from financing activities	
Payment of lease liabilities (Refer to note 4B)	(1,12,116)
Net cash used in from financing activities	(1,12,116)
Net decrease in cash and cash equivalents	(2,04,34,813)
Cash and cash equivalents at the beginning of the period	2,80,74,074
Cash and cash equivalents at the end of the period (Refer to note 12)	76,39,261

The statement of cash flows has been prepared using the indirect method as set out in Ind AS 7.

The accompanying notes 1 to 29 form an integral part of the special purpose standalone financial statements

As per our report of even date attached
For M S K C & Associates LLP
(Formerly known as MSKC & Associates)
Chartered Accountants
Firms' registration number : 001595S / S000168

For and on behalf of the members of Softcrylic LLC

P Shankar Raman
Partner
Membership number: 204764
Place: Chennai
Date: February 24, 2025

Kalpesh Bhatt
Officer
Place: United States of America
Date: February 24, 2025

Girish Pai
Officer
Place: United States of America
Date: February 24, 2025

1 Company Overview

Softcrylic LLC, U.S.A., a New Jersey limited liability Company with registered office at 718 Washington Ave. N.,Suite 208, Minneapolis, MN 55401.The company is data consulting firm. It offers engineering, data science, and other services. The company specializes in the service areas of data visualization, marketing technology, etc.

On Dated May 03, 2024 , Hexaware Technologies Limited (Parent Company) acquired 100% membership interest of Softcrylic LLC.

Prior to acquisition of Softcrylic LLC by Hexaware, Softcrylic LLC was classified as a LLC - S Corporation for US Tax Purposes. Post acquisition (w.e.f May 2, 2024) , an application was made with US IRS to treat Softcrylic LLC as a C Corporation for US Tax Purposes.

2 Material Accounting Policies

2.1 Basis of Preparation

These Special Purpose Standalone Financial Statements of Softcrylic LLC (hereinafter referred as "the Company") which comprises the Balance Sheet as at December 31, 2024, and the Statement of Profit and Loss including other comprehensive income, the Statement of changes in equity and the Statement of cash flows for the period May 04, 2024 to December 31, 2024, and related notes to the special purpose standalone financial statements, including a summary of material accounting policies ("together referred to as "the Special Purpose Standalone Financial Statements") have been prepared by the management of the Company in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act, solely for the purposes of reporting to the management of Hexaware Technologies Limited ("the Holding Company", with effect from May 03, 2024) for the purpose of preparing their Consolidated financial statements"), and accordingly, may not be suitable for any other purpose other than for the purpose stated above.

These Special purpose standalone financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which is measured at fair value or amortised cost at the end of each reporting period. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The Company has prepared the Special Purpose standalone financial Statements on the basis that it will continue to operate as a going concern.

These Special Purpose standalone Financial Statements for the period ended December 31, 2024 doesn't provide comparatives information in respect of the previous period.

These financial information have been prepared in US Dollars (USD), which is the functional currency of the Company.

The beginning date for the preparation of the special purpose financial statement is May 04, 2024.

2.2 Use of estimates and judgements

The preparation of special purpose standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of special purpose standalone financial statements and the reported amounts of income and expenses for the periods presented.

The Company uses the following critical accounting estimates in preparation of its special purpose standalone financial statements:

2.2.1 Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts expended to date, as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion, as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Cost to fulfil contract are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.2.2 Income-tax

The major tax jurisdiction for the Company is United States of America. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax on unrecognised tax benefits. Tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.2.3 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

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2 Material Accounting Policies (Continued)

2.2.4 Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2.2.5 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.4 Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

In case of a contract on time and material basis, transaction-based or volume-based contracts, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognized using percentage of completion method. The Company uses the efforts expended to date as a proportion to the total efforts to be expended as a basis to measure the degree of completion. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated.

Revenues related to fixed-price maintenance, testing and business process services are recognized based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognized as the service is performed using the percentage of completion method.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Revenues in excess of billing are classified as Unbilled receivables while billing in excess of revenues are classified as Contract liabilities (Unearned revenues). Invoicing to the clients for fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled receivables for fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

The Company recognizes an onerous cost provision for the estimated losses in the statement of profit and loss, when the total estimated cost exceeds the revenue in an arrangement based on the current contract estimates.

2.5 Leases

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.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use ("RoU") asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less (short term leases) and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an rent expense on a straight-line basis over the lease term.

The RoU assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The RoU assets are depreciated using the straight-line method from the commencement date over the shorter of lease term and useful life of RoU asset. The estimated useful lives of RoU assets are determined on the same basis as those of property, plant and equipment. RoU assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

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2 Material Accounting Policies (Continued)

2.5 Leases (Continued)

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the RoU asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the RoU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the RoU asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 to allocate the consideration in the contract.

2.6 Functional and presentation currency

Foreign currency

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rate prevailing on the date of the Balance Sheet. The resulting exchange difference on such restatement and settlement is recognized in the profit or loss, except exchange differences on transactions entered into in order to hedge certain foreign currency risk.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date of Balance Sheet. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.7 Employee Benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.8 Taxes on Income

Income tax expense comprises of current tax and deferred tax. Current and deferred tax are recognised in net income, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Advance taxes and provisions for current income taxes are presented in the Balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the entity intends to settle the asset and liability on a net basis.

Deferred taxes are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profits, except when the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profit at the time of the transaction.

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

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

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

2.9 Property, plant and equipment (PPE)

PPE are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

MSKC & ASSOCIATES LLP
Chartered Accountants

2 Material Accounting Policies (Continued)

2.9 Property, plant and equipment (PPE) (Continued)

Depreciation

Depreciation is provided on straight-line method based on the estimated useful lives of the assets as determined by the management based on the expert technical advice/ stipulations of Schedule II to the Act.

Asset Class	Estimated useful Life
Computer Systems (included in Plant and Machinery)	3 years
Furniture and Fixtures	3-8 years

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

2.10 Intangible assets and amortisation

Intangible assets with finite useful lives that are acquired are initially recognised at cost in case of separately acquired assets and at fair value in case of acquisition in business combination. Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortisation and impairment loss, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. Following table summarises the nature of intangibles and the estimated useful lives.

Asset Class	Estimated useful Life
Software licenses	3 years
Customer contracts / relations	7 years

Amortisation method, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An intangible asset is derecognised on disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

2.11 Impairment

a) Financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset in form of trade receivables and unbilled receivables is impaired. In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivables and unbilled receivables. The provision matrix is based on available external and internal credit risk factors such as credit default, credit rating from credit rating agencies and Company's historically observed default rates over the expected life of trade receivables and unbilled receivables. ECL impairment loss allowance or reversal is recognized during the period as expense or income respectively in the statement of profit and loss. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

In case of investments, the Company yearly reviews its carrying value of investments for indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

b) Non-financial assets

Tangible, Intangible and Right-of-use assets

At the end of each reporting year, the Company assesses whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs or allocated. Impairment loss is charged to the profit or loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting year is reversed if there has been a change in the estimate of recoverable amount.

In case of reversal of impairment loss, the increased carrying amount shall not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

2.12 Provisions and contingent liability

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the Company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract is lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

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Softcrylic LLC

Registered Office: 718 Washington Ave. N., Suite 208, Minneapolis, MN 55401

(Amount in USD unless otherwise stated)

Notes forming part of Special Purpose Standalone Financial Statements for the period ended December 31,2024

2 Material Accounting Policies (Continued)

2.13 Non derivative financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

A Financial assets and financial liabilities:

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

(iii) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

(iv) Investment in subsidiaries

Investment in subsidiaries are carried at cost less impairment, if any.

(v) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(vi) Financial liabilities

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

B Derecognition of financial assets and financial liabilities

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

C Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

2.14 Dividend and interest income

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

2.15 Earnings Per Share (EPS)

Basic EPS is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended December 31,2024 MCA has notified Ind AS 117 – Insurance Contracts applicable to the Company w.e.f. January 1, 2025. The Company has reviewed the new standard and based on its evaluation has determined that it does not have any significant impact in its financial information.

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4 Right-of-use assets and lease liabilities

A Right-of-use assets

	Office premises
Cost as at May 04, 2024	8,03,905
Additions during the period	-
Deletion during the period	-
Cost as at December 31,2024	8,03,905
Accumulated amortization as at May 04, 2024	5,50,716
Amortization for the period	82,659
Remeasurement / adjustment	-
Accumulated amortization as at December 31,2024	6,33,375
Net carrying amount as at December 31,2024	1,70,530

Payments toward leases of low-value assets and leases with less than twelve months of lease term, are disclosed under operating activities in the statement of cash flows.
All other lease payments during the year are disclosed under financing activities in the statement of cash flows.
The maturity analysis of lease liabilities is covered under Note 25 - Financial Instruments.

B Lease liabilities

	Opening Balance	Payment of lease liabilities	Net additions to lease liability (non-cash)	Closing Balance
December 31, 2024	3,22,149	1,12,116	13,610	2,23,643

5 Property, plant and equipment

	Plant and Machinery [1]	Furniture and Fixtures	Total
Cost as at May 04, 2024	1,23,656	26,813	1,50,469
Additions	21,213	-	21,213
(Disposals) / (Adjustments)	-	-	-
Cost as at December 31, 2024	1,44,869	26,813	1,71,682
Accumulated depreciation as at May 04, 2024	1,23,656	22,813	1,46,466
Depreciation for the period	1,697	4,000	5,700
(Disposals) / (Adjustments)	-	-	-
Accumulated depreciation as at December 31, 2024	1,25,353	26,813	1,52,166
Net carrying amount as at December 31, 2024	19,516	-	19,516

6 Intangible assets

	Customer Contracts / Relations [2]	Software licenses	Total
Cost as at May 04, 2024	24,33,070	52,766	24,85,836
Additions	-	-	-
Disposals/Adjustments	-	-	-
Cost as at December 31, 2024	24,33,070	52,766	24,85,836
Accumulated amortization as at May 04, 2024	-	52,766	52,766
Amortization for the period	2,31,721	-	2,31,721
Disposals/Adjustment	-	-	-
Accumulated amortization as at December 31,2024	2,31,721	52,766	2,84,487
Net carrying amount as at December 31,2024	22,01,349	-	22,01,349

Note:

1 Plant and machinery includes computer systems.

2 On dated May 03, 2024 the company had acquired account receivable , accounts payable and customer contracts / Relations of Tapestry Digital, Inc for consideration of USD 2,580,000 and customer contracts/relation acquired from Tapestry Digital Inc were valued at USD 2,433,070
Tapestry Digital Inc will continue as a separate company with Hexaware Technologies Limited (Parent Company) and Softcrylic LLC having no shareholding interest in this entity

7 Deferred tax

Components and movement in deferred tax assets and liabilities is as follows :

A.	Components of deferred taxes:	Opening Balance on 3rd May 2024	Recognized in profit or loss	Recognized in OCI	Closing Balance as on 31st December 2024
	Deferred tax assets				
	Leases liabilities	-	46,964	-	46,964
	Non-operating loss	-	19,195	-	19,195
	Intangible Asset	-	25,953	-	25,953
	Provision for doubtful debts	-	77,782	-	77,782
	Total of Deferred tax assets	-	1,69,894	-	1,69,894
	Deferred tax Liability				
	ROU Asset	-	35,811	-	35,811
	Total of Deferred tax Liability	-	35,811	-	35,811
	Net deferred tax asset	-	1,34,083	-	1,34,083

B The reconciliation of estimated income tax expense at the USA statutory income tax rate to the income tax expenses reported in statement of profit and loss is as follows:

	As at December 31,2024
Profit before Tax	58,48,772
Expected tax expense at the enacted tax rate of 21 % in USA	12,28,242
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense :	
Others	87,982
Impact of intangible assets	12,74,343
	(1,34,083)

C Income tax expense is allocated as follows :

	As at December 31,2024
Income tax expense as per the Statement of Profit and Loss	(1,34,083)
Income tax included in Other Comprehensive Income on :	-
	(1,34,083)

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Softcrylic LLC

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(Amount in USD unless otherwise stated)

Notes forming part of Special Purpose Standalone Financial Statements for the period ended December 31,2024

8 Investments

	As at December 31,2024
Investments - Non-current	
Investment in Subsidiary at cost (unquoted)	
100 Shares of CAD 1 each in Softcrylic Technology Inc (Canada)	73
	73

9 Other financial assets

A Other financial assets - Non-current

	As at December 31,2024
Security deposits for premises and others	26,590
Total	26,590

B Other financial assets - Current

	As at December 31,2024
Receivable from Escrow agent	2,50,000
Total	2,50,000

10 Other assets

A Other assets - Non-current

	As at December 31,2024
Prepaid expenses	20,898
Total	20,898

B Other assets - Current

	As at December 31,2024
Prepaid expenses	20,639
Total	20,639

11 Trade receivables

A Trade receivables - Billed - Current (Unsecured)

	As at December 31,2024
Trade receivable - Billed	34,98,420
Less: Life time expected credit loss	(3,70,389)
Considered good	31,28,031

B Movement of Life Time Expected Credit Loss

	As at December 31,2024
Opening balance	3,50,000
Additions during the period	20,389
Reversal during the period	-
Closing Balance	3,70,389

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(Amount in USD unless otherwise stated)

Notes forming part of Special Purpose Standalone Financial Statements for the period ended December 31,2024

11 Trade receivables ageing

C Ageing for trade receivable as at December 31,2024 is as follows

	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivable - Billed							
Undisputed trade receivables - considered good	29,34,928	5,19,013	12,764	11,326	-	-	34,78,031
Undisputed trade receivables - with significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	20,389	-	-	-	-	20,389
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - with significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	29,34,928	5,39,402	12,764	11,326	-	-	34,98,420
Less - Life time expected credit loss							(3,70,389)
							31,28,031
Trade Receivables - Unbilled							20,83,388
							52,11,419

12 Cash and cash equivalents

	As at December 31,2024
In current accounts with banks	76,39,261
Total	76,39,261

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(Amount in USD unless otherwise stated)

Notes forming part of Special Purpose Standalone Financial Statements for the period ended December 31,2024

13 Equity

	As at December 31,2024
13.1 Authorised capital	
10,383,291 Membership interest	2,73,25,098

	As at December 31,2024
13.2 Issued, subscribed and paid-up capital	
10,383,291 Membership interest	2,73,25,098

	As at December 31,2024
13.3 Reconciliation of number of Membership interest	
Outstanding at the beginning of the period	1,03,83,291
Issued during the period on exercise of employee stock options	-
Outstanding at the end of the period	**1,03,83,291**

13.4 Details of Interest holding by more than 5% shares

Name of the members		As at December 31,2024
Hexaware Technologies Limited	No. of Membership interest	1,03,83,291
	% of holding	100.00%

13.5 On Dated May 03, 2024 , Hexaware Technologies Limited (Parent Company) acquired 100% ownership interest of Softcrylic LLC and Softcrylic Technology Solutions India Pvt. Ltd. The Company had received USD 27,325,098 as a part of purchase consideration from Hexaware Technologies Limited. Subsequently the Company had issued 10,383,291 membership interests to Hexaware Technologies Limited.

14 Other financial liabilities

	As at December 31,2024
Other financial liabilities - Current	
Outstanding escrow consideration	2,50,000
Employee liabilities	5,41,661
	7,91,661

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(Amount in USD unless otherwise stated)

Notes forming part of Special Purpose Standalone Financial Statements for the period ended December 31,2024

15 Trade payables

	As at December 31,2024
A Dues of other than micro enterprises and small enterprises	
Trade payables	1,29,286
Accrued expenses	22,393
	1,51,679

B Trade payable ageing

Ageing for trade payables outstanding as at December 31,2024 is as follows:

	Outstanding for following periods from due date of payment				
	Not Due	Less than 1 year	1-2 years	More than 3 years	Total
Trade payables	1,23,357	5,927	2	-	1,29,286
Trade payables - Disputed	-	-	-	-	-
	1,23,357	5,927	2	-	1,29,286
Accrued Expenses					22,393
					1,51,679

16 Other liabilities

Other liabilities - Current	As at December 31,2024
Contract liabilities	1,25,032
Statutory liabilities	1,39,268
Total	2,64,300

17 Revenue

17.1 Revenue disaggregation by geography is as follows:

	For the period ended December 31,2024
Geography	
Americas [1]	2,09,32,622
Europe	13,800
Total	2,09,46,422

Notes :

[1] is substantially related to operations in United States of America

17.2 Revenue disaggregation by contract type is as follows:

	For the period ended December 31,2024
Offshore	79,40,279
Onshore	1,30,06,143
Total revenue from operations	2,09,46,422

17.3 Revenue disaggregation by nature of service is as follows:

	For the period ended December 31,2024
Revenue from contracts with customers	2,09,46,422
	2,09,46,422

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17 Revenue (Continued)

17.4 Reconciliation of revenue recognized with the contracted price is as follows:

	For the period ended December 31,2024
Contracted price	2,10,03,331
Reductions towards variable consideration components (discounts, rebate)	(56,909)
Revenue recognized	2,09,46,422

17.5 Changes in Contract Liabilities are as follows:

	For the period ended December 31,2024
Balance as at the beginning of the period	2,29,682
Revenue recognised during the period	(7,87,419)
Additions during the period	6,82,769
Balance as at the end of the period	1,25,032

17.6 Transaction price allocated to the remaining performance obligations:

The remaining performance obligations represents contracted revenue that has not yet been recognized, which includes contract liabilities and amounts that will be invoiced and recognized as revenue in future periods.

	As at December 31,2024
Within 1 year	28,52,411
More than 1 year	22,80,000

The Company has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date. The above revenue is subject to any changes in the transaction price.

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Softcrylic LLC

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(Amount in USD unless otherwise stated)

Notes forming part of Special Purpose Standalone Financial Statements for the period ended December 31,2024

18 Other income	For the period ended December 31,2024
Interest income on financial assets at amortized cost	67,224
Referral income	38,545
Others	43,886
Total	1,49,658

19 Employee benefits expense	For the period ended December 31,2024
Salary and allowances	90,05,035
Contributions to provident and other funds	5,23,777
Staff welfare expenses	52,919
Total	95,81,731

20 Other expenses	For the period ended December 31,2024
Rent [1]	6,438
Rates and taxes	41,511
Travelling and conveyance	1,85,579
Electricity charges	12,057
Communication expenses	21,529
Audit fees	21,471
Legal and professional fees	1,22,044
Advertisement and business promotion	49,555
Bank and other charges	3,570
Insurance charges	32,218
Subcontracting charges	44,83,588
Life time expected credit loss	20,389
Staff recruitment expenses	25,282
Cost of Software Licenses	2,41,054
Miscellaneous expenses	4,600
Total	53,31,884

Notes:

1 The Company incurred USD 6,438 for the period ended December 31, 2024 , towards expenses relating to leases of low-value assets.

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(Amount in USD unless otherwise stated)

Notes forming part of Special Purpose Standalone Financial Statements for the period ended December 31,2024

21 Finance costs

	For the period ended December 31,2024
Interest on lease liabilities	13,630
Total	13,630

22 Depreciation and amortisation expense

	For the period ended December 31,2024
Depreciation on Property, plant and equipment	5,700
Amortisation of RoU	83,699
Amortisation of intangibles	2,31,715
Total	3,20,097

23 Earnings per share (EPS)

	For the period ended December 31,2024
The components of basic and diluted EPS	
Net profit after tax	59,82,055
Weighted average outstanding equity shares considered for basic EPS	1,03,83,291
Basic earnings per share	0.58
Weighted average outstanding equity shares considered for basic EPS	1,03,83,291
Add -Effect of dilutive issue of stock option	-
Weighted average outstanding equity shares considered for diluted EPS	1,03,83,291
Diluted earnings per share	0.58

24 Related party disclosures

Names of related parties

Holding Company (ended entity)

Hexaware Technologies Limited	India

Subsidiaries

Softcrylic Technology Inc	Canada

Fellow Subsidiaries

Softcrylic Technology Solutions India Private Limited	India

Key Management Personnel (KMP)

Officer

John H Flavin

Details of transactions and balances with party wise details for transactions in excess of 10% of the total transactions

Nature of transactions	Name of the Related party and Relationship	For the period ended December 31,2024
Software and development expenses - subcontracting charges	**Subsidiaries**	
	Softcrylic Technology Inc	75,348
		75,348
	Fellow Subsidiary	
	Softcrylic Technology Solutions India Pvt Ltd	41,48,732
		41,48,732
Remuneration to KMPs and Officer	John H Flavin	1,77,891
		1,77,891

Outstanding Balance

Nature of transactions	**Name of Relationship**	As at December 31,2024
Investment in equity	**Subsidiaries**	
	Softcrylic Technology Inc	73
		73
Trade receivable	**Subsidiaries**	
	Softcrylic Technology Inc	150
		150

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Softcrylic LLC

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(Amount in USD unless otherwise stated)

Notes forming part of Special Purpose Standalone Financial Statements for the period ended December 31,2024

25 Financial Instruments

(i) The carrying value / fair value of Financial Instruments (other than investment in subsidiaries) by categories as at December 31,2024 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	76,39,261	-	-	-	76,39,261
Trade receivables - Billed	31,28,031	-	-	-	31,28,031
Trade receivables - Unbilled	20,83,388	-	-	-	20,83,388
Other financial assets	2,76,590	-	-	-	2,76,590
Total	1,31,27,270	-	-	-	1,31,27,270
Trade payables	1,51,679	-	-	-	1,51,679
Lease liabilities	2,23,643	-	-	-	2,23,643
Other financial liabilities	7,91,661	-	-	-	7,91,661
Total	11,66,983	-	-	-	11,66,983

(ii) Fair value hierarchy

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability

As on December 31 , 2024, The Company doesn't have any financial assets or liabilities that to be measured at fair value in above grouping.

(iii) Financial risk management

The Company has identified the risks under verticals like Geographic and client concentration risk, credit risk, foreign currency fluctuation risk and liquidity risk. The Company has formulated policies, procedures and strategies for managing risks , after consultation with all business units, functions and department heads.

Geographic and client concentration risk

During the period ended , America contributed 99.93% of the Company's total revenue. The Company continues to expand its global footprint to diversify geographic concentration though Americas remains largest market for the IT industry. The Company's exposure to the US regions is in line with the global industry practices. The Company will continue to invest in the region. There are a number of other growth factors in Americas such as favour for capitalism, highest per capita income, innovation driven culture and focus to retain high end work that allow us to identify and address the pockets of inefficiencies in the most optimum way.

80.07 % of the revenue for the period is generated from top 10 clients . Any loss or major downsizing by these clients may impact Company's profitability. Further, excessive exposure to particular clients will limit Company's negotiating capacity and expose us to higher credit risk.

The Company is able to maintain a diversified high quality client roster that can be accessed through the depth of relationships with existing clients.

The Company's growth strategy involves a mix of new client addition and mining the accounts of existing clients. As the Company adds more clients and grow revenues from the existing clients, it reduces dependence on the large clients. Moreover, large clients allow quick scaling up of revenues and they come with higher margins due to lower associated cost and higher cost predictability.

Credit Risk

The Company has adopted an effective receivable management system to control the Days' Sales Outstanding (DSO). Refer to note for the age wise analysis of trade receivables that are not due as well as past due and allowance for the doubtful receivables.

Top 10 customer dues contribute 80.54 % of the total outstanding as at December 31,2024.

Cash and cash equivalents are neither past due nor impaired. Cash and cash equivalents comprises of balance with banks with high credit-ratings assigned by credit-rating agencies.

Interest rate risk

The Company does not have any debt. Hence,the Company is not exposed to significant interest rate risk.

Capital management

The Company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The Company is not subject to any externally imposed capital requirements.

Notes

1 Carrying amount of cash and cash equivalents, trade receivables, unbilled revenue, other financial assets, trade payables, lease liabilities and other financial liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant in each of the period presented.

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25 Financial Instruments (Continued)

Liquidity risk

The Company needs continuous access to funds to meet short and long term strategic investments. The Company's inability to meet such requirements in stipulated period may hamper

growth plan and even ongoing operations. Further, the Company's inability to quickly convert assets into cash without incurring any material loss will expose it to liquidity risks.
Over the years, the Company has increased its liquidity position by managing its DSO and maintaining high cash / bank balance and investments.

As at December 31, 2024 the Company had total cash, bank balance of USD 76,39,261 which constitutes approximately 46 % of total assets.

The tables below provide details of the contractual maturities of significant financial liabilities as at:

As at December 31,2024	Less than 1 year	1-2 years	3-5 years	Beyond 5 years	Total
Lease Liabilities - Undiscounted	1,38,400	99,541	-	-	2,37,940
Trade and other payables	9,43,340	-	-	-	9,43,340
Total	10,81,740	99,541	-	-	11,81,280

26 Employee benefit plans

During the period, the Company has recognized expenses towards contributions to social security funds of USD 5,23,777

27 Segment Reporting

The Company has separate geographic segments other than US. However, Significant amount of revenue, assets and profits are concentrated in US and other geographical segments do not materially contribute to the revenue, assets and profits of the Company Hence, there are no separate reportable segments as per Ind AS 108 Operating Segments.

28 Contingent Liabilities

As of December 31, 2024, the Company has evaluated its exposure to contingent liabilities and determined that there are no material contingent liabilities that need to be disclosed in the special purpose standalone financial statements.

29 Other updates

A. **Material events after Balance Sheet date:**
There is no significant event after reporting date which requires amendments or disclosure to these Special purpose standalone financial statements.

B. **Approval of the financial statements:**
The special purpose standalone financial statements were approved for issue by the officers on February 24, 2025

For M S K C & Associates LLP (Formerly known as MSKC & Associates)
Chartered Accountants
Firms' registration number : 001595S / S000168

P Shankar Raman
Partner
Membership number: 204764
Place: Chennai
Date: February 24, 2025

For and on behalf of the members of Softcrylic LLC

Kalpesh Bhatt
Officer
Place: United States of America
Date: February 24, 2025

Girish Pai
Officer
Place: United States of America
Date: February 24, 2025

K.S. BHATIA & ASSOCIATES
CHARTERED ACCOUNTANTS
15th FLOOR, 1504 D WING, RUSTOMJEE SEASONS MIG CHS LTD.
IV GANDHI NAGAR NEAR MMRDA OFFICE, BANDRA – EAST,
MUMBAI – 400051 M: 9322225270; EMAIL ID: ksbandco@yahoo.co.in

Independent Auditor's Report

TO THE MEMBERS OF SOFTCRYLIC TECHNOLOGY INC

Report on the Audit of Special Purpose Ind AS Financial Statements

We have audited the special purpose Ind AS financial statements of Softcrylic Technology INC ("The Company"), which comprise the Balance Sheet as at 31 December 2024, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the period then ended, and notes to the special purpose Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December 2024 and its profit (including other comprehensive income), its changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of Companies Act, 2013 ("the Act") and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Ind AS Financial Statements

The Company's management and board of directors are responsible for the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs.

This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

K. S. Bhatia & Associates Chartered Accountants Mumbai

In preparing the Ind AS financial statements, management and board of directors are 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.

Board of directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 SAs 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 Ind AS financial statements.

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

• Identify and assess the risks of material misstatement of the Ind AS 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 entity'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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

K.S. Bhatia & Associates Mumbai FRN: 1561[illegible] M. No. 040[illegible] Chartered Accountants

K.S. BHATIA & ASSOCIATES
CHARTERED ACCOUNTANTS
15th FLOOR, 1504 D WING, RUSTOMJEE SEASONS MIG CHS LTD.
IV GANDHI NAGAR NEAR MMRDA OFFICE, BANDRA – EAST,
MUMBAI – 400051 M: 9322225270; EMAIL ID: ksbandco@yahoo.co.in

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For K. S. Bhatia & Associates
Chartered Accountants
(Firm's Registration No. 158315W)

Kaushik S. Bhatia
Proprietor
(Membership No. 046908)
UDIN: 25046908BMLXDX9763

K. S. Bhatia & Associates Mumbai FRN: 158315W M. No. 046908 Chartered Accountants

Mumbai, February 27, 2025

Softcrylic Technology INC

410-6000 boul. de Rome bur. 410 Brossard, Quebec – J4Y0B6 , Canada

Balance Sheet as on 31st December, 2024

(Amount in CAD unless other specified)

	Note No.	As at December 31, 2024
ASSETS		
Non-current assets		
Property, plant and equipment	4	-
Income tax assets (net)		12,150
Total non-current assets		12,150
Current assets		
Financial assets:		
Investments		
Trade receivables		
Cash and cash equivalents	7	40,625
Other financial assets	5	2,500
Other current assets	6	3,139
Total current assets		46,264
TOTAL ASSETS		58,414
EQUITY AND LIABILITIES		
Equity		
Equity share capital	8	100
Other equity		58,041
Total equity		58,141
Current liabilities		
Financial liabilities:		
Trade payables		
Dues of other than micro enterprises and small enterprises	9	273
Total current liabilities		273
Total liabilities		273
TOTAL EQUITY AND LIABILITIES		58,414

The accompanying notes 1 to 21 form an integral part of the financial statements.

As per our report of even date attached

For K.S. Bhatia & Associates
Chartered Accountants
Firms' registration number : 158315W

K.S. Bhatia & Associates Mumbai FRN : 158315W M. No. 046908 Chartered Accountants

Kaushik Bhatia
Proprietor
Membership number: 046908
Place: Mumbai
Date: 27-02-2025

For and on behalf of the Board of Directors of Softcrylic Technology INC

Kalpesh Bhatt
Director

Place: USA
Date: 27-02-2025

Girish Pai
Director

Place: USA
Date: 27-02-2025

Softerylic Technology INC

410-6000 boul. de Rome bur. 410 Brossard, Quebec – J4Y0B6 , Canada

Statement of Profit And Loss for the period ended 31st December, 2024
(Amount in CAD unless other specified)

	Note No.	For the period ended December 31, 2024
INCOME		
Revenue from operations	10	1,03,329
Other Income	11	(2,244)
TOTAL INCOME		1,01,085
EXPENSES		
Employee benefits expense	12	67,021
Depreciation and amortisation expense	4	1,263
Operating and other expenses	13	26,913
TOTAL EXPENSES		95,197
PROFIT BEFORE TAX		5,887
Tax expense		
Current tax		1,807
Deferred tax charge / (credit)		-
Total tax expense		1,807
PROFIT FOR THE PERIOD		4,080
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		4,080
Earnings per equity share:- Basic and diluted	14	
Basic and Diluted		41

The accompanying notes 1 to 21 form an integral part of the financial statements
As per our report of even date attached

For K.S. Bhatia & Associates
Chartered Accountants
Firms' registration number :158315W

K. S. Bhatia & Associates
Mumbai
FRN : 158315W
M. No.: 046908
Chartered Accountants

Kaushik Bhatia
Proprietor
Membership number: 046908
Place: Mumbai
Date: 27-02-2025

For and on behalf of the Board of Directors of Softerylic Technology INC

Kalpesh Bhatt
Director

Place: USA
Date: 27-02-2025

Girish Pai
Director

Place: USA
Date: 27-02-2025

Softcrylic Technology INC

410-6000 boul. de Rome bur. 410 Brossard, Quebec – J4Y0B6 , Canada

Statement of Changes in Equity
(Amount in CAD unless other specified)

	As at December 31, 2024
A. EQUITY SHARE CAPITAL	
Outstanding at the beginning of the period	100
Changes in equity share capital during the period	-
Outstanding at the end of the period	100

B. OTHER EQUITY

	Total equity
Balance as at May 04, 2024	53,961
Profit for the period	4,080
Total comprehensive income	4,080
Balance as at December 31, 2024	58,041

The accompanying notes 1 to 21 form an integral part of the financial statements.
As per our report of even date attached

For K.S. Bhatia & Associates
Chartered Accountants
Firms' registration number: 158315W

Kaushik Bhatia
Proprietor
Membership number: 046908
Place: Mumbai
Date: 27-02-2025

K. S. Bhatia & Associates
Mumbai
FRN : 158315W
M. No.: 046908
Chartered Accountants

For and on behalf of the Board of Directors of Softcrylic Technology INC

Kalpesh Bhatt
Director

Place: USA
Date: 27-02-2025

Girish Pai
Director

Place: USA
Date: 27-02-2025

Softcrylic Technology INC
410-6000 boul. de Rome bur. 410 Brossard, Quebec – J4Y0B6 , Canada

Statement of Cash Flows for the period ended 31st December, 2024
(Amount in CAD unless other specified)

	For the period ended December 31, 2024
Cash flow from operating activities	
Profit before tax	5,887
Adjustments for:	
Depreciation and amortization expense	1,263
Operating profit before working capital changes	7,150
Adjustments for:	
Trade receivables and other assets	30,818
Trade payables, other liabilities and provisions	(1,361)
Cash generated from operations	36,607
Direct taxes paid (net)	(26,240)
Net cash generated from operating activities	10,367
Cash flow from investing activities	
Purchase of PPE and intangible assets including CWIP and capital advances	-
Net cash used in investing activities	-
Cash flow from financing activities	
Interest paid	-
Net cash used in financing activities	-
Net (decrease) / increase in cash and cash equivalents	10,367
Cash and cash equivalents at the beginning of the period	30,258
Cash and cash equivalents at the end of the period (Refer to note 9)	40,625

The statement of cash flows has been prepared using the indirect method as set out in Ind AS 7.

The accompanying notes 1 to 21 form an integral part of the financial statements.
As per our report of even date attached
For K.S. Bhatia & Associates

Chartered Accountants
Firms' registration number: 158315W

Kaushik Bhatia
Proprietor
Membership number: 046008
Place: Mumbai
Date: 27-02-2025

K.S. Bhatia & Associates Mumbai FRN: 158315W M. No.: 046008 Chartered Accountants

For and on behalf of the Board of Directors of Softcrylic Technology INC

Kalpesh Bhatt
Director

Place: USA
Date: 27-02-2025

Girish Pai
Director

Place: USA
Date: 27-02-2025

1 Corporate Information

Softcrylic Technology INC ('the Company') is a wholly owned subsidiary of Softcrylic LLC, a foreign corporation incorporated in USA ('The Holding Company').
The Company was incorporated on July 06th 2022. The Company provides information technology ("IT") services and solutions to its clients, primarily in the form of professional IT and consulting services.

2 Basis of preparation of interim condensed Standalone financial statements

2.1 Statement of Compliance

These Special Purpose Standalone Financial Statements of Softcrylic Technology INC (hereinafter referred as "the Company") which comprises the Balance Sheet as at December 31, 2024, and the Statement of Profit and Loss including other comprehensive income, the Statement of changes in equity and the Statement of cash flows for the period May 04, 2024 to December 31, 2024, and related notes to the special purpose standalone financial statements, including a summary of material accounting policies ("together referred to as "the Special Purpose Standalone Financial Statements") have been prepared by the management of the Company in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act, solely for the purpose of reporting to the management of Hexaware Technologies Limited ("the Ultimate Holding Company", with effect from May 03, 2024) for the purpose of preparing their Consolidated financial statements"), and accordingly, may not be suitable for any other purpose other than for the purpose stated above.

These Special purpose standalone financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which is measured at fair value or amortised cost at the end of each reporting period. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.
The Company has prepared the Special Purpose standalone Financial Statements on the basis that it will continue to operate as a going concern.
These Special Purpose standalone Financial Statements for the period ended December 31, 2024 doesn't provide comparatives information in respect of the previous period.

These financial information have been prepared in Canadian Dollars (CAD), which is the functional currency of the Company.
The beginning date for the preparation of the special purpose financial statement is May 04, 2024

2.2 Critical accounting judgements and key source of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosures relating to contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the period in which the estimate is revised and in any future period affected.

Key source of estimation uncertainty which may cause material adjustments:

2.3.1 Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts expended to date as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Contract fulfilment costs/contract assets are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.3.2 Income-tax

The major tax jurisdictions for the Company is Canada. Judgements are involved in determining the provision for income taxes including judgement on whether tax positions are probable of being sustained in tax assessments and deferred tax asset on unrecognized tax benefits. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.3.3 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the company is reasonably certain not to exercise that option. In assessing whether the company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.3.4 Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2.3.5 Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

2.3.6 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended December 31,2024 MCA has notified Ind AS 117 – Insurance Contracts applicable to the Company w.e.f. January 1, 2025. The Company has reviewed the new standard and based on its evaluation has determined that it does not have any significant impact in its financial information.

Softcrylic Technology INC
410-6000 boul. de Rome bur. 410 Brossard, Quebec – J4Y0B6 , Canada

Notes of Financial Statements for the Year ended December 31, 2024
(Amount in CAD unless other specified)

4 Property, plant and equipment

Property, plant and equipment (PPE) consist of the following:

	Plant and Machinery [1]
Cost as at May 04, 2024	1403
Additions	-
(Disposals) / Adjustments	-
Cost as at December 31, 2024	1403
Accumulated depreciation as at May 04, 2024	140
Depreciation for the period	1,263
(Disposals)	-
Accumulated depreciation as at December 31, 2024	1,403
Net carrying amount as at December 31, 2024	-

5 Other financial assets

Other financial assets – Current

	As at December 31, 2024
Security deposits for premises and others	2,500
Total	**2,500**

6 Other assets

Other assets – Current

	As at December 31, 2024
Others	3,139
Total	**3,139**

7 Cash and bank balances

Cash and cash equivalents

	As at December 31, 2024
In current accounts with banks	40,625
Total	**40,625**

Notes:
1 Plant and machinery includes computer systems.

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Softcrylic Technology INC
410-6000 boul. de Rome bur. 410 Brossard, Quebec – J4Y0B6 , Canada

Notes of Financial Statements for the Year ended December 31, 2024
(Amount in CAD unless other specified)

8 Equity

	As at December 31, 2024
8.1 Issued, subscribed and paid-up capital	
1 Share in common stock of no par value of Class "A" shares	100

8.2 There is no movement in share capital during period ended December 31, 2024

8.3 All shares are held by Softcrylic LLC, the holding company.

9 Trade payables

A Due of other than micro enterprises and small enterprises

	As at December 31, 2024
Trade payables	273
Accrued expenses	-
Total	**273**

B Trade payable ageing

Ageing for trade payables outstanding as at December 31, 2024 is as follows:

	Not Due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables	-	273	-	-	-	273
	-					
	-	273	-	-	-	273
Accrued Expenses						-
						273

10 Revenue

10.1 The disaggregated revenue with the customers by contract type:

	For the period ended December 31, 2024
Offshore	1,03,329
Onshore	-
Others	-
Total revenue from operations	**1,03,329**

10.2 The revenue from contracts as per geography is as under:

	For the period ended December 31, 2024
Contracted price	1,03,329
Reductions towards variable consideration components (discounts, rebate)	-
Revenue recognised	**1,03,329**

10.3 The revenue from contracts as per geography is as under:

	For the period ended December 31, 2024
US	1,03,329
Rest of the world	-
Total revenue from operations	**1,03,329**

11 Other Income

	For the period ended December 31, 2024
Exchange rate difference (net)	(2,244)
Interest income	-
	(2,244)

12 Employee benefits expense

	For the period ended December 31, 2024
Salary and allowances	58,886
Contribution to provident, other funds and benefits	7,823
Staff welfare expenses	312
Total	**67,021**

13 Operating and other expenses

	For the period ended December 31, 2024
Rent	1,596
Travelling and conveyance	444
Legal and professional fees	20,332
Bank and other charges	752
Insurance charges	3,790
Total	**26,913**

Softcrylic Technology INC

410-6000 boul. de Rome bur. 410 Brossard, Quebec – J4Y0B6 , Canada

Notes of Financial Statements for the Year ended December 31, 2024
(Amount in CAD unless other specified)

14 Earnings per share (EPS)

The components of basic and diluted EPS:	For the period ended December 31, 2024
Net profit after tax	4,080
Weighted average outstanding equity shares considered for basic EPS	100
Basic and diluted earnings per share (CAD)	41

The issued, subscribed and paid up capital of the Company consists of one share in common stock of no par value and the earnings per share is computed on the basis of such one share. Accordingly the entire profit after tax is the earnings per share.

15 Related party disclosures

15.1 Name of Related Parties and description of relationship:

Ultimate Holding Company and it's subsidiaries
Hexaware Technologies Limited

Parent company of Softcrylic Technology INC. (control exists)
Softcrylic LLC

Key Management Personnel
John Flavin - Officer

15.2 Transactions during the period

Particulars	Name Of Related Party And Nature of relationship	For the period ended December 31, 2024
Revenue from operation	Softcrylic LLC - Holding Company	1,03,329

15.3 Closing Balances

Particulars	Name Of Related Party And Nature of relationship	For the period ended December 31, 2024
Others Payable	Softcrylic LLC - Holding Company	273

16 Financial Instruments

16.1 The carrying value / fair value of financial instruments (other than investment in associate/subsidiary) by categories as at December 31, 2024 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	40,625	-	-	-	40,625
Trade receivables	-	-	-	-	-
Unbilled receivables	-	-	-	-	-
Other financial assets	2,500	-	-	-	2,500
Total	**43,125**	-	-	-	**43,125**
Trade payables	273	-	-	-	273
Other financial liabilities	-	-	-	-	-
Total	**273**	-	-	-	**273**

16.2 Category of financial instruments

All Financial instruments are measured at amortised cost. Amortised cost- Carrying amount of cash and cash equivalents, trade receivables, trade and other payables, other financial assets and liabilities approximate the fair value because of their short term nature.

16.3 Fair value hierarchy

Fair Value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observed and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

Note:

1 Carrying amount of cash and cash equivalents,other financial assets, trade payables, and other financial liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortized cost is not significant in each of the period presented.

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Softcrylic Technology INC
410-6000 boul. de Rome Ste. 410 Brossard, Quebec – J4Y0B6 , Canada

Notes of Financial Statements for the Year ended December 31, 2024
(Amount in CAD unless other specified)

16 Financial instruments

16.4 Financial risk management
The company has identified the risks under verticals like Geographic and client concentration risk, credit risk, foreign currency fluctuation risk and liquidity risk. The Company has formulated policies, procedures and strategies for managing risks which is affirmed ,after consultation with all business units, functions and department heads.

Credit risk
Since most of our transactions are done on credit, we are exposed to credit risk on accounts receivable. Any delay, default or inability on the part of the client to pay on time will expose us to credit risk and can impact our profitability.

Foreign currency fluctuations risk
The company's transaction are predominantly in CAD and incurs foreign currency risk on transactions that are dominated by currency other than CAD such as USD. The company does not hedge any currency exposure since the net foreign exchange exposure is insignificant.

Liquidity risk
Cash and cash equivalents includes current account balances with banks.

The Company needs continuous access to funds to meet short and long term strategic investment requirements. The Company's inability to meet such requirements in stipulated period may hamper growth plan and even ongoing operations. Further, the Company's inability to quickly convert assets into cash without incurring any appreciable loss will expose it to liquidity risks.

As at December 31, 2024, the Company had total cash / bank balance CAD 40,625 which constitutes approximately 70 % of total assets. The Company does not have any debt.

Interest rate risk
The Company does not have any debt. The balances with banks and financial institution is in the form of fixed interest rate deposits. Hence, the Company is not exposed to significant interest rate risk.

Capital management
The Company's objectives when managing capital is to maintain optimal capital structure to continue to provide for adequate capital in the business, returns for shareholders and benefits for other stakeholders in the form of dividends, return of capital or issue of new shares.

17 **Employee Benefits**
The Company has recognised CAD 7,823 for employee benefit contribution in Statement of Profit and Loss..

18 **Segment disclosures**
Revenue, assets and profits are concentrated in USA .Hence, there are no separate reportable segments as per Ind AS 108 Operating Segments.

19 **There is no contingent liabilities and commitments as on 31st December 2024.**

20 **Material events after Balance Sheet date**
There is no significant event after reporting date which requires adjustments or disclosure to the financial statements.

21 **Approval of financial statements -**
The financial statements were approved for issue by the Board of Directors on 27-02-2025

For K.S. Bhatia & Associates
Chartered Accountants
Firms' registration number: 158315W

K.S. Bhatia & Associates Mumbai FRN : 158315W M. No.: 045908 Chartered Accountants

Kaushik Bhatia
Proprietor
Membership number: 045908
Place : Mumbai
Date: 27-02-2025

For and on behalf of the Board of Directors of Softcrylic Technology INC

Kalpesh Bhatt
Director
Place: USA
Date: 27-02-2025

Girish Pai
Director
Place: USA
Date: 27-02-2025

HEXAWARE AL BALAGH TECHNOLOGIES L.L.C.

FINANCIAL STATEMENTS

FOR THE PERIOD FROM 5 DECEMBER 2023 (DATE OF INCORPORATION) TO 31 DECEMBER 2024

HEXAWARE AL BALAGH TECHNOLOGIES L.L.C.

FINANCIAL STATEMENTS
AS AT AND FOR THE PERIOD FROM 5 DECEMBER 2023 (DATE OF INCORPORATION) TO 31 DECEMBER 2024

Contents	**Page(s)**

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Website: kpmg.com/qa

Independent auditors' report

To the Shareholders of
Hexaware Al Balagh Technologies L.L.C.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Hexaware Al Balagh Technologies L.L.C (the 'Company'), which comprise the statement of financial position as at 31 December 2024, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the period then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the period then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

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 *Auditors' 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, International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the Company's financial statements in the State of Qatar, 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 IFRS Accounting Standards, 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.

Independent auditors' report (continued)

Hexaware Al Balagh Technologies L.L.C.

Auditors' 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 auditors' 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 scepticism 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 the management.
- Conclude on the appropriateness of the 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 auditors' 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 auditors' 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.

We communicate with the management 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.

Independent auditors' report (continued)

Hexaware Al Balagh Technologies L.L.C.

Report on Other Legal and Regulatory Requirements

As required by QFC Companies Regulations 2005, we also report that:

i) We have obtained all the information and explanations we considered necessary for the purposes of our audit.

ii) The Company has maintained proper accounting records and its financial statements are in agreement therewith.

06 March 2025
Doha
State of Qatar

Gopal Balasubramaniam
KPMG
Qatar Auditors' Registry Number 251

Hexaware Al Balagh Technologies L.L.C.

Statement of financial position
As at 31 December 2024 — In United States Dollars

	Note	As at 31 December 2024
ASSETS		
Non-current assets		
Furniture and equipment	4	7,792
Total non-current assets		**7,792**
Current assets		
Trade and other receivables	5	1,875,752
Cash and cash equivalents	6	580,823
Total current assets		**2,456,575**
Total assets		**2,464,367**
EQUITY AND LIABILITIES		
EQUITY		
Share capital	10	54,841
Accumulated loss		(814,596)
Deficit		**(759,755)**
LIABILITIES		
Non-current liabilities		
End of service benefits	7	2,729
Total non-current liabilities		**2,729**
Current liabilities		
Trade and other payables	8	69,045
Due to related parties	9	3,152,348
Total current liabilities		**3,221,393**
Total liabilities		**3,224,122**
Total liabilities and equity		**2,464,367**

These financial statements were approved and authorised for issue by the Board of Directors of the Company and were signed on its behalf by:

Amrinder

Amrinder Singh
Director- Hexaware Al-Balagh Technologies L.L.C.

Vikash Kr. Jain

Vikash Kumar Jain
Director- Hexaware Al-Balagh Technologies L.L.C.

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Hexaware Al Balagh Technologies L.L.C.

Statement of profit or loss and other comprehensive income
For the period from 5 December 2023 to 31 December 2024 In United States dollars

	Note	For period from 5 December 2023 to 31 December 2024
Revenue	11	2,463,297
Direct costs	12	(3,200,885)
Gross loss		**(737,588)**
General and administrative expenses	13	(77,008)
Loss for the period		**(814,596)**
Other comprehensive income		-
Total comprehensive loss for the period		**(814,596)**

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Hexaware Al Balagh Technologies L.L.C.

Statement of changes in equity
For the period from 5 December 2023 to 31 December 2024 — In United States Dollars

	Share capital	Accumulated loss	Total
At 5 December 2023 (date of incorporation)	-	-	-
Loss for the period	-	(814,596)	(814,596)
Other comprehensive income for the period	-	-	-
Total comprehensive loss for the period	**-**	(814,596)	(814,596)
Transactions with shareholders:			
Share capital issued during the period (Note 10)	54,841	-	54,841
At 31 December 2024	**54,841**	**(814,596)**	**(759,755)**

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As at and for the period from 5 December 2023 to 31 December 2024 In United States Dollars

	Notes	For period from 5 December 2023 to 31 December 2024
Cash flows from operating activities		
Loss for the period		(814,596)
Adjustments for:		
Depreciation of furniture and equipment	4	2,950
Provision for employees' end of service benefits	7	13,532
		(798,114)
Changes in working capital:		
Trade and other receivables		(1,875,752)
Trade and other payables		69,045
Due to related parties		3,152,348
Net cash from operations		**547,527**
Employee benefits paid	7	(10,803)
Net Cash from operating activities		**536,724**
Cash flows from investing activities		
Additions to furniture and equipment	4	(10,742)
Net cash used in investing activity		**(10,742)**
Cash flows from financing activities		
Proceeds from issue of share capital	10	54,841
Net cash generated from financing activity		**54,841**
Net increase in cash and cash equivalents		**580,823**
Cash and cash equivalents at 5 December 2023		-
Cash and cash equivalents at 31 December 2024	6	**580,823**

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1. CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES

Hexaware Al Balagh Technologies LLC (the "Company") is a company domiciled in State of Qatar under Qatar Financial Centre registration No.02082 dated 5 December 2023 ("date of incorporation"). The Company is engaged in the business of providing information technology consulting, software development and business process management.

The shares of the Company as at the current reporting date were held as follows:

Name of shareholder	**% of Shareholding**
Hexaware Technologies Limited ("Parent Company")	65%
Al Balagh Trading and Contracting Company W.L.L.	35%
	100%

Hexaware Technologies Limited is a 100% owned subsidiary of Hexaware Global Limited ("Ultimate parent company").

These financial statements were authorised for issue by the representatives of the Board of Directors of Hexaware Al Balagh Technologies LLC on 05 March 2025.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board ('IFRS Accounting Standards').

2.2 Basis of measurement

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

2.3 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency that the Company primarily uses for trading (the "functional currency"). The Qatari Riyal ("QR") is the functional currency through which all the transactions of the Company are carried out. The financial statements are presented in USD, which is the Company's presentation currency.

2.4 Application of new and revised IFRS Accounting Standards

Newly effective amendments and improvements to standards

Below are the new accounting standards and amendments to the IFRS Accounting Standards that are required to be adopted in annual periods beginning on 1 January 2024:

- *Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 Leases*
- *Classification of liabilities as Current or Non-Current and Non-current Liabilities with Covenants – Amendments to IAS 1 Presentation of Financial Statements)*
- *Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements*

The adoption of these amendments to the IFRS Accounting Standards did not have a significant impact on the Company's financial statements.

2. BASIS OF PREPARATION (CONTINUED)

2.4 Application of new and revised IFRS Accounting Standards (continued)

New and amended IFRS Accounting Standards and improvement to IFRS Accounting Standards not yet effective, but available for early adoption

The table below lists the recent changes to the IFRS Accounting Standards that are required to be applied for annual periods beginning after 1 January 2024 and that are available for early adoption in annual periods beginning on 1 January 2024. These IFRS Accounting Standards have not been applied in preparing these financial statements.

Effective date	New standards or amendments
Effective for the year beginning 1 January 2025	• *Lack of Exchangeability – Amendments to IAS 21*
Effective for the year beginning 1 January 2026	• *Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7* • *Annual Improvements to IFRS Accounting Standards – Volume 11*
Effective for the year beginning 1 January 2027	• *IFRS 18 Presentation and Disclosure in Financial Statements* • *IFRS 19 Subsidiaries without Public Accountability: Disclosures*
Available for optional adoption / effective date deferred indefinitely	• *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28*

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal. Entities' net profit will not change.
- Management defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Company is still in the process of assessing the impact of new standard, particularly with respect to the structure of the Company's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Company is also assessing the impact on how information is grouped in the financial statements.

Other than the above, the Company does not expect that the adoption of the above new and amended IFRS Accounting Standards will have a significant impact on the Company's financial statements.

2.5 Use of judgements and estimates

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are material to financial statements are disclosed in Note 18.

3. MATERIAL ACCOUNTING POLICIES

The below material accounting policies have been applied for the preparation of these financial statements from the date of its incorporation (5 December 2023).

3.1 Furniture and equipment

Furniture and equipment is stated at historical cost less accumulated depreciation and impairment loss, if any. 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 recognised 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 the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset class	**Estimated useful life**
Computer systems	3 years
Furniture and fixtures	8 years

The carrying amounts are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

The assets' residual values and useful lives are reviewed and adjusted if appropriate at each reporting date. 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 the proceeds with the carrying amount and are recognised in profit or loss.

3.2 Financial instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets – classification

On initial recognition, a financial asset is classified as subsequently measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- 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 on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at fair value through profit or loss. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.2 Financial instruments (continued)

Classification and subsequent measurement (continued)

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 interest income, maintaining a particular interest-rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising 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;
- 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.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss. A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
- substantially all of the risks and rewards of ownership of the financial asset are transferred; or
- the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.2 Financial instruments (continued)

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.3 Impairment

Non-derivative financial assets

The Company recognises loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortised cost and contract assets. The Company measures loss allowances at an amount equal to lifetime ECLs, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition and are measured at 12-month ECLs.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and includes forward-looking information.

As a practical expedient, the Company calculates ECL on trade receivables using a provision matrix. The Company use its historical credit loss experience for trade receivables to estimate the lifetime expected credit losses. The provision matrix uses fixed provision rates depending on the number of days that a trade receivable is past due.

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 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.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised 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 includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 365 days past due; or
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of impairment

Provision for impairment on trade receivables is deducted from gross carrying value of trade receivables in the statement of financial position and impairment losses relating to trade receivables are separately presented in the statement of profit or loss and other comprehensive income.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.3 Impairment (continued)

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

3.4 Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents consist of cash in hand, bank balances, and short-term deposits with an original maturity of three months or less.

3.5 Contract asset and liabilities

Contract asset represents the amount of work done but not billed to customer.

Contract liabilities relate to amount billed in advance under the terms of the contract, and whose services will be performed at future dates. Billings and other consideration received on contracts in excess of related revenues recognised are recorded as contract liabilities.

3.6 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

3.7 Employees' end of service benefits

The Company has measured its obligation for the post-employment benefits of its employees based on the provisions of the Qatar Labour Law No. 14 of 2004. The calculation of the provision is performed by the Company at the end of each year, and any change to the projected benefit obligation at the year-end is adjusted in the provision for employees' end of service benefits in the statement of profit or loss.

3.8 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction from the proceeds.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.9 Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer.

Rendering of services

The Company provides information technology consulting, software development and business process management services. Revenue from providing services is recognised in the accounting period in which the services are rendered. Revenue is recognised based on the actual service provided at the end of the reporting period as a proportion of the total services to be provided, because the customer receives and uses the benefits simultaneously. This is determined based on the actual labour hours spent relative to the total expected labour hours.

Revenue from contracts with customers for services in the ordinary course of the Company's activities is recognised in accordance with the following 5-step model:

1. Identify the contracts with customers: A contract is an agreement which creates enforceable rights and obligations and sets out criteria that must be met.
2. Identify performance obligations within the contract: A performance obligation is a promise to deliver a service to a customer that is distinct.
3. Determine the transaction price: The transaction price is the consideration to which the Company expects to be entitled in exchange for delivering the services to a customer, excluding amounts collected from third parties.
4. Allocate the transaction price to the performance obligations in a contract, if more than one. For a contract that has more than one performance obligation, the transaction price is allocated to each performance obligation in an amount that depicts the consideration to which the entity expects to be entitled in exchange for satisfying each performance obligation.
5. Recognise revenue as and when the performance obligation(s) is/are satisfied.

3.10 Income tax

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period, and any adjustments to the tax payable or receivable in respect of previous years. It is calculated on the basis of the QFC tax regulations pursuant to Article 9 of Law No. 7 of 2005.

Deferred tax

Deferred tax is recognised in respect of temporary differences arising between the carrying mounts of assets and liabilities reported in the company’s financial statements and their respective amounts used for tax purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled using tax rates based on the QFC tax regulations.

Notes to the financial statements In United States Dollars

4. FURNITURE AND EQUIPMENT

	31 December 2024
Cost:	
At 5 December 2023	-
Additions during the period	10,742
At 31 December 2024	**10,742**
Accumulated depreciation:	
At 5 December 2023	-
Charge for the period (Note 13)	(2,950)
At 31 December 2024	**(2,950)**
Net carrying amount	**7,792**

5. TRADE AND OTHER RECEIVABLES

	31 December 2024
Trade receivables	1,416,267
Contract asset	459,485
	1,875,752

6. CASH AND CASH EQUIVALENTS

	31 December 2024
Cash in banks – current accounts	**580,823**

7. END OF SERVICE BENEFITS

	31 December 2024
At 5 December 2023	-
Provision made (1)	13,532
Payments made	(10,803)
At 31 December 2024	**2,729**

(1) The provision made for the period for employees' end of service benefit is included within "Staff cost" in profit or loss (Note 13).

8. TRADE AND OTHER PAYABLES

	31 December 2024
Accrued expenses	13,500
Other payables	55,545
	69,045

Notes to the financial statements In United States Dollars

9. DUE TO RELATED PARTIES

	Relationship	31 December 2024
Hexaware Technologies Limited	Parent	2,968,906
Al Balagh Trading and Contracting Company W.L.L.	Shareholder	183,442
		3,152,348

Amounts due to related parties do not carry interest and are repayable on mutually agreed dates, within one year.

10. SHARE CAPITAL

	31 December 2024
Authorised:	
1,000,000 shares of QR 1 each	**274,205**
Issued and fully paid up:	
200,000 shares of QR 1 each	**54,841**

The Company, upon its incorporation on 5 December 2023, issued 200,000 shares to its shareholders (Note 1) at a par value of QR 1 each.

11. REVENUE

	For period from 5 December 2023 to 31 December 2024
Revenue from rendering of services - offshore	**2,463,297**

Revenue is recognised over time as the services are provided. All revenue is generated from services provided in Qatar.

12. DIRECT COSTS

	For period from 5 December 2023 to 31 December 2024
Staff cost (1)	**3,200,885**

(1) Staff cost includes cost of employees of Hexaware Technologies Limited - India working directly for the Company.

13. GENERAL AND ADMINISTRATIVE EXPENSES

	For period from 5 December 2023 to 31 December 2024
Legal and professional fees	40,415
Bank and other charges	8,616
Short-term lease expense	4,724
Depreciation on furniture and equipment	2,950
Miscellaneous expenses	20,303
	77,008

(1) Staff cost includes a provision of USD 13,532 in respect of employees' end of service benefit (Note 7).

Notes to the financial statements In United States Dollars

14. RELATED PARTY DISCLOSURES

A. Related party transactions

Related parties represent major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management.

Transactions with related parties during the period were as follows:

Name of Parties	**Relationship**	**Nature of Transaction**	**For period from 5 December 2023 to 31 December 2024**
Hexaware Technologies Limited	Parent	Purchase of services	**3,200,885**
Al Balagh Trading and Contracting Company W.L.L.	Shareholder	Payment made on behalf of company	**183,442**
Hexaware Technologies Saudi L.L.C.	Affiliate	Loan received and repaid	**27,425**

B. Compensation of directors and other key management personnel

The Company's key management are based in Hexaware Technologies Limited – India. Through the project service agreement between the Company and Hexaware Technologies Limited – India, the cost of key management personnel is borne by Hexaware Technologies Limited – India.

15. INCOME TAX

Tax expense is calculated using the effective tax rate for income generated locally at a percentage of 10% as at 31 December 2024. However, due to the Company incurring tax losses in the current period, no tax expense is applicable.

Deferred tax asset has not been recognized in respect of tax losses (amounting to USD 811,902) because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom.

16. FINANCIAL RISK MANAGEMENT

16.1 Financial risk factors

The Company's principal financial liabilities comprise other payables and amounts due to related parties. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade and other receivables and bank balances which arise directly from its operations.

The main risks arising from the Company's financial instruments are market risk, interest rate risk credit risk, foreign currency risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Market risk

Market risk is the risk that changes in market prices, such as interest rate risk and foreign currency risk will affect the Company's profit, equity or value of its holding of financial instruments. The objective of market risk management is to manage and control the market risk exposure within acceptable parameters, while optimising return.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's financial assets and liabilities with floating interest rates. The Company neither has interest bearing financial liabilities nor financial assets that are subject to interest rate risk at reporting date.

16. FINANCIAL RISK MANAGEMENT (CONTINUED)

16.1 Financial risk factors (continued)

(ii) Foreign currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Company does not hedge its currency exposure. The Company is not significantly impacted by currency movements as the majority of the assets and liabilities are denominated in United States Dollar (USD).

(b) 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 indicated by the carrying amount of its financial assets, which consist principally of bank balances and trade receivables and other receivables.

With respect to credit risk arising from the financial assets of the Company, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments as follows:

	31 December 2024
Bank balances	580,823
Trade and other receivables	1,875,752
	2,456,575

The Company reduces the exposure of credit risk arising from other financial assets by maintaining bank accounts in reputed banks and providing services only to creditworthy related parties.

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on cashflow ECL model, existing market conditions as well as forward looking estimates at the end of each reporting period.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its 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 below summarizes the maturity profile of the Company's financial liabilities at 31 December based on contractual undiscounted payments:

		Gross undiscounted cash flows		
31 December 2024	**Carrying amounts**	**Contractual cash out flows**	**Less than 12 Months**	**More than 12 Months**
Due to related parties	3,152,348	(3,152,348)	(3,152,348)	-
Trade payables	69,045	(69,045)	(69,045)	-
	3,221,393	(3,221,393)	(3,221,393)	-

16.2 Capital management

The primary objective of the Company’s capital management is to ensure that it maintains a strong capital base to support its business and to sustain future development of the business. Management monitors its capital structure and makes adjustments to it, in light of economic conditions.

The Company is not subject to any externally imposed capital requirements.

17. FAIR VALUES ESTIMATION

At period end, no financial assets or liabilities were measured at fair value. The carrying value of financial assets and financial liabilities classified as current assets or current liabilities in the statement of financial position at period end approximates its fair value due to its shorter maturities.

18. USE OF JUDGEMENTS AND ESTIMATES

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company’s accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively. Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in these financial statements.

Useful lives of furniture and equipment

The Company's management determines the estimated useful lives of furniture and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset, physical wear and tear, technical or commercial obsolescence.

Going concern

Management has made an assessment of the Company’s ability to continue as a going concern and is satisfied that the Company has the resources to continue its business for the foreseeable future. Management believes that the loss incurred for the period is due to start-up operations and the situation will improve as the Company progresses in its operations.

The Company already has a contract with customer and is exploring further opportunities in the market to expand its operations. Further, the Company is taking measures to control its cost base, which is expected to increase profitability in near future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company’s ability to continue as a going concern. Therefore, these financial statements are prepared on a going concern basis.

Other provisions and liabilities

Other provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the actual cash outflows can take place in subsequent years, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances. A change in estimate of a recognized provision or liability would result in a charge or credit to profit or loss in the period in which the change occurs.

Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts expended to date as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reliably estimated.

19. COMMITMENTS AND CONTINGENT LIABILITIES

The Company had the following contingent liabilities as at 31 December 2024 from which it is anticipated that no material liabilities will arise:

	31 December 2024
Bank guarantees	**273,973**

20. SUBSEQUENT EVENTS

There were no significant subsequent events which have a bearing on the understanding of these financial statements.

21. COMPARATIVE INFORMATION

As the Company was incorporated on 5 December 2023 and this is the first set of financial statements of the Company, there is no comparative information presented.

K.S. BHATIA & ASSOCIATES
CHARTERED ACCOUNTANTS
15th FLOOR, 1504 D WING, RUSTOMJEE SEASONS MIG CHS LTD.
IV GANDHI NAGAR NEAR MMRDA OFFICE, BANDRA – EAST,
MUMBAI – 400051 M: 9322225270; EMAIL ID: ksbandco@yahoo.co.in

Independent Auditor's Report

TO THE MEMBERS OF Hexaware Technologies SL (Private) Limited

Report on the Audit of Special Purpose Ind AS Financial Statements

We have audited the special purpose Ind AS financial statements of Hexaware Technologies SL (Private) Limited ("The Company"), which comprise the Balance Sheet as at 31 December 2024, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the period then ended, and notes to the special purpose Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December 2024 and its profit (including other comprehensive income), its changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of Companies Act, 2013 ("the Act") and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Ind AS Financial Statements

The Company's management and board of directors are responsible for the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs.

This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

K.S. Bhatia & Associates
Mumbai
Chartered Accountants

K.S. BHATIA & ASSOCIATES
CHARTERED ACCOUNTANTS
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In preparing the Ind AS financial statements, management and board of directors are 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.

Board of directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 SAs 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS 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 entity'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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

K.S. Bhatia & Associates
Mumbai
FRN : 15831W
M. No.: 0482
Chartered Accountants

INDIA
K.S. BHATIA & ASSOCIATES
CHARTERED ACCOUNTANTS
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IV GANDHI NAGAR NEAR MMRDA OFFICE, BANDRA – EAST,
MUMBAI – 400051 M: 9322225270; EMAIL ID: ksbandco@yahoo.co.in

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For K. S. Bhatia & Associates
Chartered Accountants
(Firm's Registration No. 158315W)

Kaushik S. Bhatia
Proprietor
(Membership No. 046908)
UDIN: 25046908BMLXOV9227

K.S. Bhatia & Associates ★ Mumbai FRN : 158315W M. No. 046908 ★ Chartered Accountants

Mumbai, February 25, 2025

HEXAWARE TECHNOLOGIES SL (PRIVATE) LIMITED

Number -31 Queen’s Road, Colombo 03, Sri Lanka

(USD, except share and per share data, unless otherwise stated)

Balance Sheet as at and for the period from 28 February 2024 (Date of incorporation) to December 31, 2024

	Note No.	As at December 31, 2024
ASSETS		
Non-current assets		
Property, plant and equipment	6	20,854
Total non-current assets		**20,854**
Current assets		
Financial assets:		
Trade receivables		
Billed	10	19,088
Unbilled		54,622
Cash and cash equivalents	11	17,547
Other financial assets	8B	13,820
Total current assets		**105,077**
TOTAL ASSETS		**125,931**
EQUITY AND LIABILITIES		
Equity		
Equity share capital		100,000
Other equity		23,509
Total equity		**123,509**
Non-current liabilities		
Financial liabilities:		
Provisions - Non-current		
Other non-current liabilities		-
Total non-current liabilities		**-**
Current liabilities		
Financial liabilities:		
Trade payables	13	31,321
Other financial liabilities	12	1,265
Other current liabilities	14	(4,386)
Income tax liabilities (net)		(25,778)
Total current liabilities		**2,422**
Total liabilities		**2,422**
TOTAL EQUITY AND LIABILITIES		**125,931**

The accompanying notes 1 to 25 form an integral part of the Condensed interim Standalone financial statements.

As per our report of even date attached

For K. S. Bhatia & Associates

Chartered Accountants

FRN:158315W

KAUSHIK SHANTIKUMAR BHATIA

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Kaushik Bhatia

Proprietor [Mem No: 046908]

Place : Mumbai

Date : 25th February, 2025

For and on behalf of the board of director

Amrinder Singh

Director

Place : Dubai

Date : 25th February, 2025

HEXAWARE TECHNOLOGIES SL (PRIVATE) LIMITED

Number -31 Queen’s Road, Colombo 03, Sri Lanka

(USD, except share and per share data, unless otherwise stated)

Statement of Profit And Loss as at and for the period from 28 February 2024 (Date of incorporation) to December 31, 2024

	Note No.	For the period ended December 31, 2024
INCOME		
Revenue from operations	16	180,225
Other income	17	(824)
TOTAL INCOME		**179,401**
EXPENSES		
Employee benefits expense	18	68,531
Depreciation and amortisation expense	5,6	3,187
Other expenses	19	84,174
TOTAL EXPENSES		**155,892**
PROFIT BEFORE ASHARE IN PROFIT OF ASSOCIATE AND TAX		**23,509**
Share in profit of associate (Net of tax)		-
PROFIT BEFORE TAX		**23,509**
Tax expense		
Current tax		-
Total tax expense		-
PROFIT FOR THE PERIOD		**23,509**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**23,509**
Earnings per equity share:- Basic and diluted	21	
Basic and Diluted		0.02

The accompanying notes 1 to 25 form an integral part of the Condensed interim Standalone financial statements.

As per our report of even date attached

For K. S. Bhatia & Associates
Chartered Accountants
FRN:158315W

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pseudonym=d06696da467e8305797ee04086750ce5,
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Kaushik Bhatia
Proprietor [Mem No: 046908]

Place : Mumbai
Date : 25th February, 2025

For and on behalf of the board of director

Amrinder Singh
Director

Place : Dubai
Date : 25th February, 2025

HEXAWARE TECHNOLOGIES SL (PRIVATE) LIMITED

Number -31 Queen’s Road, Colombo 03, Sri Lanka

(USD, except share and per share data, unless otherwise stated)

Statement of Changes in Equity

	As at December 31, 2024	As at December 31, 2024	As at December 31, 2024
A. EQUITY SHARE CAPITAL			
Outstanding at the beginning of the year	100,000	-	**100,000**
Outstanding at the end of the year	**100,000**	**-**	**100,000**

OTHER EQUITY

	Reserves and surplus		Total equity
	General reserve	Retained earnings	
Balance as at Feburary 28, 2024	-	-	-
Profit for the period	-	23,509	23,509
Total comprehensive income	**-**	**23,509**	**23,509**
Balance as at December 31, 2024	**-**	**23,509**	**23,509**
Balance as at Feburary 28, 2024	-	-	-
Profit for the period	-	-	-
Total comprehensive income	-	-	-
Balance as at December 31, 2023	-	-	-

The accompanying notes 1 to 25 form an integral part of the Condensed interim Standalone financial statements.

As per our report of even date attached

For K. S. Bhatia & Associates

Chartered Accountants

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Kaushik Bhatia

Proprietor [Mem No: 046908]

Place : Mumbai

Date : 25th February, 2025

For and on behalf of the board of director

Amrinder

Amrinder Singh

Director

Place : Dubai

Date : 25th February, 2025

HEXAWARE TECHNOLOGIES SL (PRIVATE) LIMITED

Number -31 Queen's Road, Colombo 03, Sri Lanka

(USD, except share and per share data, unless otherwise stated)

Statement of Cash Flows for year ended December 31, 2024

	For the period ended December 31, 2024
Cash flow from operating activities	
Profit before tax	**23,509**
Adjustments for:	
Depreciation and amortization expense	3,187
Interest income	(1)
Operating profit before working capital changes	**26,695**
Adjustments for:	
Trade receivables and other assets	(87,530)
Trade payables, other liabilities and provisions	28,200
Cash generated from / (used in) operations	**(32,635)**
Direct taxes paid (net)	(25,778)
Net cash generated from / (used in) operating activities	**(58,413)**
Cash flow from investing activities	
Purchase of PPE and intangibles assets including CWIP and capital advances	(24,041)
Interest received	1
Net cash used in investing activities	**(24,040)**
Cash flow from financing activities	
Proceeds from issue of shares / share application money (net)	100,000
Net cash used in from financing activities	**100,000**
Net increase in cash and cash equivalents	**17,547**
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period (Refer to note 11)	**17,547**

The accompanying notes 1 to 25 form an integral part of the Condensed interim Standalone financial statements.

As per our report of even date attached

For K. S. Bhatia & Associates
Chartered Accountants
FRN:158315W

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Date: 2025.02.25 22:42:23 +05'30'

Kaushik Bhatia
Proprietor [Mem No: 046908]

Place : Mumbai

Date : 25th February, 2025

For and on behalf of the board of director

Amrinder Singh
Director

Place : Dubai

Date : 25th February, 2025

Notes to the Financial Statements

1 Company overview

Hexaware Technologies SL (Private) Limited (The company) incorporated (PV-00295369) on **Twenty Eighth day of February Two Thousand Twenty Four** as a Private Company With Limited Liability having complied with the requirements of the Companies Act No. 7 of 2007 in Srilanka under the law of Democratic Socialist Republic of Sri Lanka is a wholly owned subsidiary of Hexaware Technologies Limited, a foreign corporation incorporated in India (Hexaware or the Holding Company) These accounts have been prepared and audited for the purpose of consolidation with Holding company.

2 Significant accounting policies

2.1 Statement of compliance

The financial statements comply in all material aspects with Indian Accounting standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act as amended from time to time.

2.2 Basis of preparation

These financial statements are prepared on historical cost basis excep for certain financial instuments which are measured at fair values as explained in the accounting policies below.

These financial statements have been prepared in United State Dollars ($) which is the functional currency of the Company.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

2.3 Critical accounting judgements and key source of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expense, assets and liabilities and disclosures relating to contingent liabilities on the date of the financial statements. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the period in which the estimate is revised and in any future period affected.

Key source of estimation uncertainty which may cause material adjustments:

2.3.1 Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts expended to date as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Cost to fulfill contract are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.3.2 Income-tax

The major tax jurisdiction for the Company is India though the Company also files tax returns in overseas jurisdictions. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax on unrecognised tax benefits. Tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.3.3 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2 Significant accounting policies (Continued)

2.3.4 Others

Other areas involving estimates relates to actuarial assumptions used to determine the carrying amount of defined benefit obligation, estimation of fair value of share based payment transactions and useful lives of Property Plant and Equipment.

2.4 Revenue recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

In case of contract on time and material basis, transaction-based or volume-based contracts, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognized using percentage of completion method. The Company uses the efforts expended to date as a proportion to the total efforts to be expended as a basis to measure the degree of completion. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated.

Revenue related to fixed-price maintenance, testing and business process services are recognized based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognized as the service is performed using the percentage of completion method.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Revenues in excess of billing are classified as Unbilled receivables while billing in excess of revenues are classified as Contract liabilities (Unearned revenues). Invoicing to the clients for fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled receivables for fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

The Company recognizes an onerous cost provision for the estimated losses in the statement of profit and loss, when the total estimated cost exceeds the revenue in an arrangement based on the current contract estimates.

2.5 Leases

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.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use ("RoU") asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The Company has elected not to apply the requirements of IFRS 16 to short-term leases of all assets that have a lease term of 12 months or less (short term leases) and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an rent expense on a straight-line basis over the lease term.

The RoU assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The RoU assets are depreciated using the straight-line method from the commencement date over the shorter of lease term and useful life of RoU asset. The estimated useful lives of RoU assets are determined on the same basis as those of property, plant and equipment. RoU assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the RoU asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the RoU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

2 Significant accounting policies (Continued)

2.5 Leases (Continued)

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the RoU asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies IFRS 15 to allocate the consideration in the contract.

The Company has made use of the following pratical expedients available while applying IFRS 16 -

- The Company has applied single discount rate to a portfolio of lease with reasonably similar characteristics.
- The Company has excluded initial direct costs from measurement of RoU assets at the date of transition.
- The Company has used hindsight, in determining the lease term if the contract contains options to extend or terminate the lease.

2.6 Functional and presentation currency

These financial statements are presented in United State Dollars, the currency of the primary economic environment in which the Company operates.

Foreign currency

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rate prevailing on the date of Balance Sheet. The resulting exchange difference on such restatement and settlement is recognized in the profit or loss, except exchange differences on transactions entered into in order to hedge certain foreign currency risk.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.7 Borrowing Cost

Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in the profit or loss.

2 Significant accounting policies (Continued)

2.8 Employee Benefits

Employee benefits are recognised as an expense.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contribution into separate entities such as the Provident fund on a mandatory, contractual or voluntary basis. The Company has no further payment onligations once the contributions have been paid.

Employee leave intitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made of estimated liability for leave as a result of services rendered by employees up to the end of reporting period.

2.9 Taxes on Income

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when it affects neither the taxable profit nor the accounting profit at the time of the transaction.

A deferred income tax liability is recognised for all taxable temporary differences arising on property, plant and equipment, except where the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

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

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and

(ii) based on the tax consequence that will follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amounts of its assets and liabilities.

HEXAWARE TECHNOLOGIES SL (PRIVATE) LIMITED

(USD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

2 Significant accounting policies (Continued)

2.10 Property, plant and equipment (PPE)

PPE are stated at cost of acquisition less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation

Depreciation is provided on straight-line method based on the estimated useful lives of the assets as follows:

Asset Class	Estimated useful Life
Computer Systems (included in Plant and Machinery)	3 years
Office Equipment	5 years
Electrical Fittings (included in Plant and Machinery)	8 years
Furniture and Fixtures	8 years

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

2.11 Impairment

a) Financial assets (other than at fair value)

The Company assesses at each balance sheet date, whether a financial asset or a group of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

b) Non-financial assets - Tangible assets

At the end of each reporting period, the Company assesses whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs or allocated. Impairment loss is charged to the profit or loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.12 Provisions

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.

2 Significant accounting policies (Continued)

2.13 Non derivative financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

A Financial assets and financial liabilities – measurement

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held with a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held with a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

(iv) Investment in associate

Investment in associate is carried at cost less impairment, if any, in accordance with IAS27 - separate financial statements.

(v) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(vi) Financial liabilities

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

2.14 Share capital

Equity shares

Incremental costs directly attributable to the issue or re-purchase of equity shares, net of any tax effects, are recognised as a deduction from equity.

2.15 Earnings per share ('EPS')

Basic EPS are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended December 31, 2024. MCA has not notified new standards or amendements to the existing standards applicable to the Company.

4 Equity Share Capital

4.1 Authorised capital

	December 31, 2024 Amount
1 Equity share authorised at USD 100,000	100,000

4.2 Issued, subscribed and paid-up capital

	December 31, 2024 Amount
1 Equity shares issued at USD 100,000	100,000

4.3 Details of shares held by promoters

Name of the shareholder	No. of shares held	% of holding
Hexaware Technologies Ltd. (Holding Company)	1	100%

4.4 Rights, preferences and restrictions attached to equity shares:

- The Company only has one class of equity shares which is ordinary shares. Each shareholder is eligible for one vote per share held.

- In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

4.5 Reconciliation of Shares outstanding at the beginning and at the end of the period.

	December 31, 2024
Shares outstanding at the beginning of the period	0
Shares issued during the period	1
Shares outstanding at the end of the peroid	1

HEXAWARE TECHNOLOGIES SL (PRIVATE) LIMITED

(USD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

6 Property, Plant and Equipment

Property, plant and equipment (PPE) consist of the following:

	Plant and Machinery	Furniture and Fixtures	Office Equipment	Total
Cost as at Feburary 28, 2024	-	-	-	-
Additions	24,041	-	-	24,041
(Disposals) / (Adjustments)	-	-	-	-
Cost as at December 31, 2024	24,041	-	-	24,041
Accumulated depreciation as at Feburary 28, 2024	-	-	-	-
Depreciation for the period	3,187	-	-	3,187
(Disposals) / (Adjustments)	-	-	-	-
Accumulated depreciation as at December 31, 2024	3,187	-	-	3,187
Net carrying amount as at December 31, 2024	**20,854**	**-**	**-**	**20,854**

Note:

1 Plant and machinery includes computer systems.

HEXAWARE TECHNOLOGIES SL (PRIVATE) LIMITED

(USD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

7 Investments

	As at December 31, 2024
Non current investments in equity shares (unquoted)	
0 shares of USD 0/- each	-
	-

8 Other financial assets

A Other financial assets – Non-current	As at December 31, 2024
Restricted bank balances	-
Security deposits for premises and others	-
Total	**-**

B Other financial assets – Current	As at December 31, 2024
Interest accrued on bank deposits	-
Others receivables from related parties (Refer to note 26)	-
Derivative assets	-
Security deposits for premises and others	13,820
Total	**13,820**

9 Other assets

Other assets – Current	As at December 31, 2024
Prepaid expenses	-
Employee advances	-
Contracts assets	-
Others	-
Total	**-**

HEXAWARE TECHNOLOGIES SL (PRIVATE) LIMITED

(USD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

10 Trade receivables

A Trade receivables - Billed - Current (Unsecured)

	As at December 31, 2024
Considered good	19,088
Considered doubtful	-
	19,088
Less: Allowance for doubtful debts	-
Total	**19,088**

B Trade receivables ageing

Ageing for trade receivables as at December 31, 2024 is as follows:

	Outstanding for following periods from due date of payment			
	Not Due	**Less than 6 months**	6 months - 1 year	Total
Trade receivable - Billed				
Undisputed trade receivables – considered good	**15,091**	**3,997**	-	**19,088**
Undisputed trade receivables – with significant increase in credit risk	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-
Disputed trade receivables – with significant increase in credit risk	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-
	15,091.00	3,997.00	-	19,088
Less - Life time expected credit loss				-
Trade Receivables - Unbilled				54,622
				73,710

11 Cash and bank balances

Cash and cash equivalents	As at December 31, 2024
In current accounts with banks	17,547
Margin money with banks	-
	17,547
Less: Restricted bank balances	-
Total	**17,547**

HEXAWARE TECHNOLOGIES SL (PRIVATE) LIMITED

(USD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

12 Other financial liabilities

	As at December 31, 2024
A Provisions - Non-current	
Employee benefit obligations in respect of Gratuity and others	-
Total	**-**

	As at December 31, 2024
Other financial liabilities - Current	
Guarantee Charges	-
Employee liabilities	1,265
Total	**1,265**

13 Trade payables

	As at December 31, 2024
A Dues of other than micro enterprises and small enterprises	
Trade payables	908
Accrued expenses	30,413
Total	**31,321**

Trade payable ageing

Ageing for trade payables outstanding as at December 31, 2024 is as follows:

	Outstanding for following periods from due date of payment			
Trade payables	**Not Due**	**Less than 6 months**	**6 months - 1 year**	**Total**
Others	908	-	-	908
Disputed Dues - Others	-	-	-	-
	908	-	-	908
Accrued Expenses				30,413
				31,321

14 Other current Liabilities

	As at December 31, 2024
Unearned revenues	-
Statutory liabilities	(4,386)
	(4,386)

15 Provisions

	As at December 31, 2024
Provisions - Current	
Employee benefit obligations in respect of Gratuity and others	-
Employee benefit obligations in respect of compensated absences and others	-
	-

HEXAWARE TECHNOLOGIES SL (PRIVATE) LIMITED

(USD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

16 Revenue

16.1 Revenue disaggregation by contract type is as follows:

	For the period ended December 31, 2024
Offshore	-
Onshore	180,225
Total revenue from operations	**180,225**

16.2 Revenue disaggregation by geography is as follows:

	For the period ended December 31, 2024
APAC	180,225
	180,225

Notes to the Financial Statements

17 Other income

	For the period ended December 31, 2024
Interest income	1
Exchange rate difference (net)	(825)
Total	**(824)**

18 Employee benefits expense

	For the period ended December 31, 2024
Salary and allowances	62,865
Contribution to provident, other funds and benefits	5,406
Staff welfare expenses	260
Total	**68,531**

19 Other expenses

	For the period ended December 31, 2024
Rent	33,593
Rates and taxes	20,000
Travelling and conveyance	13,022
Printing and stationery	424
Legal and professional fees	14,165
Advertisement and business promotion	2,070
Bank and other charges	900
Total	**84,174**

20 Finance costs

	For the period ended December 31, 2024
Interest on lease liabilities	-
Total	**-**

HEXAWARE TECHNOLOGIES SL (PRIVATE) LIMITED

(USD, except share and per share data, unless otherwise stated)

Notes to the Financial Statements

21 Earnings per share (EPS)

	For the period ended December 31, 2024
The components of basic and diluted EPS:	
Net profit after tax	23,509
Weighted average outstanding equity shares considered for basic EPS (Nos.)	1,000,000
Basic earnings per share	0.02

22 Related party disclosures

22.1 Names of related parties

Ultimate Holding Company

CA Magnum Holdings (w.e.f. November 11, 2021)

Holding Company

Hexaware Technologies Limited, India

Subsidiaries

Hexaware Technologies Saudi LLC

Key Management Personnel (KMP)

Director

Mr. Amrinder Singh

22.2 Nature of Transaction	For the period ended December 31, 2024
1) Software & Development Expenses	
Holding Company	
Receiving of services	125,603
Issued Subsd & Paidup Capital	100,000
2) Reimbursement of Cost	
Holding Company	-

22.3 Closing balance	As at December 31, 2024
1) Trade Payables	
Hexaware Technologies Limited	-
2) Trade Receivable	
Hexaware Technologies Limited	19,088
3) Investment in equity instruments	
Fellow Subsidiary	-
4) Provisions	
Hexaware Technologies Limited	-

HEXAWARE TECHNOLOGIES SL (PRIVATE) LIMITED

(USD, except share and per share data, unless otherwise stated)
Notes to the Financial Statements

23 Financial Instruments

(i) The carrying value / fair value of financial instruments (other than Invt in subsidiaries and associates) by categories as at December 31, 2024 is as follow

	Amortized cost	Fair value through profit and	Fair value through other comprehensive income	Derivative instrument in hedging	Total carrying / fair value
Cash and cash equivalents	17,547	-	-	-	17,547
Trade receivables - Billed	19,088	-	-	-	19,088
Trade receivables - Unbilled	54,622	-	-	-	54,622
Other financial assets	13,820	-	-	-	13,820
Total	**105,077**	**-**	**-**	**-**	**105,077**
Trade payables	31,321	-	-	-	31,321
Lease liabilities	-	-	-	-	-
Other financial liabilities	1,265	-	-	-	1,265
Total	**32,586**	**-**	**-**	**-**	**32,586**

Carrying amount of cash and cash equivalents, other bank balances, trade receivables, unbilled revenue, loans, other financial assets, borrowings, deferred consideration, trade payables, lease liabilities and other financial liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at

24 Material events after Balance Sheet date

There are no significant events after reporting date which requires amendments or disclosure to the financial statements.

25 The condensed interim financial statements were approved for issue by the Board of Directors on February 25th 2025.

Place : Dubai
Date : 25th February, 2025

B S R & Co. LLP
Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center, Western Express Highway,
Goregaon (East), Mumbai - 400 063

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Independent Auditor's Report

To the Board of Directors of Hexaware Technologies Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Hexaware Technologies Inc. ("the Company"), which comprise the Balance Sheet as at 31 December 2024, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to Ind AS financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December 2024, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

Management's and Board of Directors' Responsibility for the Ind AS Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

Independent Auditor's Report *(Continued)*

Management's and Board of Directors' Responsibility for the Ind AS Financial Statements *(Continued)*

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 SAs 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 Ind AS financial statements.

As part of an audit in accordance with SAs, 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 internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report *(Continued)*

Auditor's Responsibility for the Financial Statements ***(Continued)***

- 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 purpose 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.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W–100022

Jaclyn Desouza
Partner
Membership No: 124629
ICAI UDIN: 25124629BMOQGT7378

Rovaniemi
06 March 2025

Hexaware Technologies Inc

101 Wood Avenue South, Suite 600, Iselin, NJ 08830 USA

Balance Sheet

	Note No.	As at December 31, 2024	As at December 31, 2023
			Amount in USD
ASSETS			
Non-current assets			
Property, plant and equipment	6	710,209	757,579
Right-of-use assets	A	6,511,227	1,505,740
Goodwill	5	5,530,161	5,530,161
Other intangible assets	7	2,525,739	3,030,885
Financial assets:			
Investments	8	180,513,881	180,513,881
Other financial assets	10A	225,010	71,434
Deferred tax assets (net)	9	12,952,000	11,225,000
Other non-current assets	11A	6,920,950	6,999,948
Total non-current assets		**215,889,177**	**209,634,628**
Current assets			
Financial assets:			
Trade receivables			
Billed	12	30,952,410	55,912,680
Unbilled		34,578,838	28,904,141
Cash and cash equivalents	13	57,063,071	27,609,440
Other financial assets	10B	112,752	137,969
Other current assets	11B	19,245,840	8,746,980
Total current assets		**141,952,911**	**121,311,210**
TOTAL ASSETS		**357,842,088**	**330,945,838**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	8,031,657	8,031,657
Other equity		169,016,447	135,776,342
Total equity		**177,048,104**	**143,807,999**
Non-current liabilities			
Financial liabilities:			
Borrowings (unsecured)	15A	20,000,000	50,000,000
Lease liabilities		6,811,781	2,359,953
Other financial liabilities	16A	-	750,126
Total non-current liabilities		**26,811,781**	**53,110,079**
Current liabilities			
Financial liabilities:			
Borrowings (unsecured)	15B	24,508,920	19,261,090
Lease liabilities		1,742,922	2,029,986
Trade payables	17	72,182,697	55,945,616
Other financial liabilities	16B	31,473,477	29,210,063
Other current liabilities	18	7,632,312	10,564,935
Provisions		6,055,434	5,167,405
Income tax liabilities (net)		10,386,441	11,848,665
Total current liabilities		**153,982,203**	**134,027,760**
Total liabilities		**180,793,984**	**187,137,839**
TOTAL EQUITY AND LIABILITIES		**357,842,088**	**330,945,838**

The accompanying notes 1 to 32 form an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firms' registration number: 101248W/W-100022

Jaclyn Desouza

Partner

Membership number: 124629

Place: Rovaniemi

Date: March 06, 2025

For and on behalf of the Board of Directors of HEXAWARE TECHNOLOGIES INC

R. Srikrishna

CEO & Executive Director

DIN 03160121

Place: Mumbai

Date: March 05, 2025

Hexaware Technologies Inc

101 Wood Avenue South, Suite 600, Iselin, NJ 08830 USA

Statement of Profit And Loss

Amount in USD

	Note No.	For the year ended December 31, 2024	December 31, 2023
INCOME			
Revenue from operations	19	568,671,015	477,748,623
Other income	20	974,846	(791,667)
TOTAL INCOME		**569,645,861**	**476,956,956**
EXPENSES			
Employee benefits expense	21	266,213,260	232,576,946
Finance costs	23	3,794,893	3,279,646
Depreciation and amortisation expense	A, 6, 7	2,214,731	5,678,110
Other expenses	22	256,676,503	211,814,843
TOTAL EXPENSES		**528,899,387**	**453,349,545**
PROFIT BEFORE TAX		**40,746,474**	**23,607,411**
Tax expense			
Current tax		9,233,369	5,802,945
Deferred tax charge / (credit)		(1,727,000)	1,372,000
Total tax expense		**7,506,369**	**7,174,945**
PROFIT FOR THE YEAR		**33,240,105**	**16,432,466**
OTHER COMPREHENSIVE INCOME (OCI)			
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**33,240,105**	**16,432,466**
Earnings per equity share:- Basic and diluted	24		
Basic and Diluted		1,107.01	547.26

The accompanying notes 1 to 32 form an integral part of the financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firms' registration number: 101248W/W-100022

Jaclyn Desouza
Partner
Membership number: 124629
Place: Rovaniemi
Date: March 06, 2025

For and on behalf of the Board of Directors of HEXAWARE TECHNOLOGIES INC

R. Srikrishna
CEO & Executive Director
DIN 03160121
Place: Mumbai
Date: March 05, 2025

Hexaware Technologies Inc

101 Wood Avenue South, Suite 600, Iselin, NJ 08830 USA

Statement of Changes in Equity

Amount in USD

	As at December 31, 2024	As at December 31, 2023
A. EQUITY SHARE CAPITAL		
Outstanding at the beginning of the period	8,031,657	8,031,657
Changes in equity share capital during the period	-	-
Outstanding at the end of the period	**8,031,657**	**8,031,657**

B. OTHER EQUITY

	Reserves and surplus				
	Reserve on merger	Additional paid in capital	Contributed capital on account of share based payment	Retained earnings	Total equity
Balance as at January 1, 2024	98,411	142,951	-	135,534,980	135,776,342
Profit for the year	-	-	-	33,240,105	33,240,105
Other comprehensive income (net of tax)	-	-	-	-	-
Total comprehensive income	**-**	**-**	**-**	**33,240,105**	**33,240,105**
Received / transferred on exercise of stock options	-	-	(2,095,262)	-	(2,095,262)
Repayment to Holding Company	-	-	2,095,262	-	2,095,262
Tax benefit on share based compensation	-	-	-	-	-
Balance as at December 31, 2024	**98,411**	**142,951**	**-**	**168,775,085**	**169,016,447**
Balance as at January 1, 2023	98,411	142,951	-	119,102,514	119,343,876
Profit for the year	-	-	-	16,432,466	16,432,466
Other comprehensive income (net of tax)	-	-	-	-	-
Total comprehensive income	**-**	**-**	**-**	**16,432,466**	**16,432,466**
Tax benefit on share based compensation	-	-	-		-
Balance as at December 31, 2023	**98,411**	**142,951**	**-**	**135,534,980**	**135,776,342**

Nature and purpose of reserves

a) Reserve on merger represents reserve transferred in the course of business combination

b) Contributed capital on account of share based payment represents equity contribution from parent by way of share based payment arrangement. This is repaid to holding

c) Retained earnings comprise of the accumulated undistributed earnings.

d) Cash flow hedge reserve represents cumulative effective portion of gains or losses arising on changes in fair value of designated hedging instruments. Such gains or losses will be reclassified to statement of profit and loss in the year in which the underlying hedged transaction occurs.

The accompanying notes 1 to 32 form an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firms' registration number: 101248W/W-100022

Jaclyn Desouza
Partner
Membership number: 124629
Place: Rovaniemi
Date: March 06, 2025

For and on behalf of the Board of Directors of HEXAWARE TECHNOLOGIES INC

R. Srikrishna
CEO & Executive Director
DIN 03160121
Place: Mumbai
Date: March 05, 2025

Hexaware Technologies Inc

101 Wood Avenue South, Suite 600, Iselin, NJ 08830 USA

Statement of Cash Flows

Amount in USD

	For the year ended December 31, 2024	For the year ended December 31, 2023
Cash flow from operating activities		
Profit before tax	**40,746,474**	**23,607,411**
Adjustments for:		
Depreciation and amortisation expense	2,214,731	5,678,110
Repurchase of restricted stock units		
Interest income	(811,713)	(335,969)
Life time expected credit loss	(881,175)	838,216
Debts and advances written off	143,956	-
Profit on sale of property, plant and equipment (PPE) (net)	61,653	11,842
Exchange rate difference (net) - unrealised	207,782	(960,225)
Finance costs	3,794,893	3,279,646
Operating profit before working capital changes	**45,476,601**	**32,119,031**
Adjustments for:		
Trade receivables and other assets	7,856,178	(24,557,788)
Trade payables, other liabilities and provisions	16,995,270	10,371,934
Cash generated from operations	**70,328,049**	**17,933,177**
Direct taxes paid (net)	(10,695,594)	(4,880,366)
Net cash generated from operating activities	**59,632,455**	**13,052,810**
Cash flow from investing activities		
Purchase of PPE and intangible assets including CWIP and capital advances	(528,180)	(295,225)
Interest received	811,713	335,969
Net cash used in investing activities	**283,533**	**40,744**
Cash flow from financing activities		
Payment of lease liabilities	(2,201,953)	(2,224,071)
Proceeds from long/Short term borrowing	50,000,000	42,406,400
Repayment of long/short term borrowing	(74,000,000)	(42,505,788)
Interest paid	(4,052,622)	(3,753,280)
Net cash used in financing activities	**(30,254,575)**	**(6,076,739)**
Net (decrease) / increase in cash and cash equivalents	**29,661,413**	**7,016,816**
Cash and cash equivalents at the beginning of the year	27,609,440	19,632,398
Exchange difference on translation of foreign currency cash and cash equivalents	(207,782)	960,225
Cash and cash equivalents at the end of the year (Refer to note 13)	**57,063,071**	**27,609,439**

Reconciliation of Borrowings	**For the year ended**		**For the year ended**	
Particulars	**December 31, 2024**		**December 31, 2023**	
	Long Term	**Short Term**	**Long Term**	**Short Term**
Opening Balance	50,000,000	19,261,090	35,000,000	33,556,594
Borrowing made during the year	-	50,000,000	15,000,000	27,406,400
Borrowing repaid during the year	(30,000,000)	(44,000,000)	-	(42,505,788)
Adjustment on account of currency translation	-	(752,170)	-	803,883
Closing Balance	20,000,000	24,508,920	50,000,000	19,261,090

The statement of cash flows has been prepared using the indirect method as set out in Ind AS 7.

The accompanying notes 1 to 32 form an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firms' registration number: 101248W/W-100022

DeSouza

Jaclyn Desouza
Partner
Membership number: 124629
Place: Rovaniemi
Date: March 06, 2025

For and on behalf of the Board of Directors of HEXAWARE TECHNOLOGIES INC

R. Srikrishna
CEO & Executive Director
DIN 03160121
Place: Mumbai
Date: March 05, 2025

1 Company Overview

Hexaware Technologies Inc (‘the Company’) is a wholly owned subsidiary of Hexaware Technologies Limited, a foreign corporation incorporated in India (‘The Holding Company’). These special purpose financial statements (here after referred to as "the financials statements") have been prepared for the purpose of consolidation with the holding company.

The Company was incorporated in March 1994. The Company is engaged in information technology consulting, software and development, business process services. Hexaware provides multiple service offerings to its clients across various industries comprising travel, transportation, hospitality, logistics, banking, financial services, insurance, healthcare, manufacturing, consumer and services. The various service offerings comprise application development and management, enterprise solutions, infrastructure management, business intelligence and analytics, digital assurance (testing) and business process services (BPS).

2 Material Accounting Policies

2.1 Statement of Compliance

The financial statements comply in all material aspects with Indian Accounting standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act as amended from time to time.

2.2 Basis of Preparation

These financial statements are prepared on historical cost basis, except for certain financial instruments which are measured at fair values as explained in the accounting policies below.

These financial statements have been prepared in Dollars (USD $) which is the functional currency of the Company

All assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

2.3 Critical accounting judgements and key source of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expense, assets and liabilities and disclosures relating to contingent liabilities on the date of the financial statements. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the period in which the estimate is revised and in any future period affected.

Key source of estimation uncertainty which may cause material adjustments:

2.3.1 Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts expended to date as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Cost to fulfil/obtain contract are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.3.2 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the company is reasonably certain not to exercise that option. In assessing whether the company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2 Material Accounting Policies (*Continued*)

2.3.3 Income-tax

The major tax jurisdiction for the Company is The United State of America. Judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax asset on unrecognised tax benefits. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.3.4 Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2.3.5 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.4 Revenue recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

In case of contract on time and material basis, transaction-based or volume-based contracts, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognized using percentage of completion method. The Company uses the efforts expended to date as a proportion to the total efforts to be expended as a basis to measure the degree of completion. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated.

Revenue from fixed price maintenance contracts, testing and business process services are recognised based on the right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If invoicing is not consistent with value delivered, revenue is recognized as the services are performed. When value of services provided is uniform over a specified period, revenue is recognised on a straight-line basis over the specified period unless some other method better represents the manner in which services are performed.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Revenues in excess of billing are classified as unbilled receivables while billing in excess of revenues are classified as contract liabilities (unearned revenues). Invoicing to the clients for fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled receivables for fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

The Company recognizes an onerous cost provision for the estimated losses in the statement of profit and loss, when the total estimated cost exceeds the revenue in an arrangement based on the current contract estimates.

2 Material Accounting Policies (*Continued*)

2.5 Leases

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.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an rent expense on a straight-line basis over the lease term.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

Company as a lessor
At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor’s net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue to allocate the consideration in the contract.

2 Material Accounting Policies (*Continued*)

2.6 Functional and presentation currency

Foreign currency

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rate prevailing on the date of the Balance Sheet. The resulting exchange difference on such restatement and settlement is recognized in the Statement of Profit and Loss except exchange differences on transactions entered into in order to hedge certain foreign currency risk.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.7 Borrowing cost

Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in the profit or loss.

2.8 Employee benefits

a) **Post-employment benefits and other long term benefit plan**

Company's contribution to defined contribution retirement schemes viz. contribution to the State and Federal pension plans is charged to Statement of Profit and Loss as incurred.

b) **Short term employee benefit**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.9 Share based compensation

Equity settled share based payments to employees and directors are measured at the fair value of the equity instruments at the grant date which is recognised over the vesting period based on periodic estimate of the equity instruments that will eventually vest, with the corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest with the impact of revision recognised in the profit or loss such that the cumulative expense reflects the revised estimates, with a corresponding adjustment to the share option outstanding account.

2.10 Taxes on Income

a) Income tax expense comprises of current tax and deferred tax. Current and deferred tax are recognised in net income, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

b) Current tax is measured at the amount expected to be paid or recovered from the domestic and overseas tax authorities using enacted or substantively enacted tax rates.

c) Deferred taxes are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profits, except when the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profit at the time of the transaction.

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

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

f) Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

g) Advance taxes and provisions for current income taxes as well as deferred tax assets and liabilities are presented in the Balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the entity intends to settle the asset and liability on a net basis.

2 Material Accounting Policies *(Continued)*

2.11 Property, plant and equipment (PPE)

PPE are stated at cost of acquisition less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation

Depreciation is provided on straight-line method based on the estimated useful lives of the assets as determined by the management based on the expert technical advice/ stipulations of schedule II to the Act.

Asset Class	Estimated useful Life
Buildings	60 years
Computer Systems (included in Plant and Machinery)	3 years
Office Equipment	5 years
Electrical Fittings (included in Plant and Machinery)	8 years
Furniture and Fixtures	8 years
Vehicles	4 years

Improvement to Leasehold Premises are amortised over the lease period or useful life of an asset whichever is lesser.

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

2.12 Intangible assets

Intangible assets with finite useful lives that are acquired are initially recognised at cost in case of separately acquired assets and at fair value in case of acquisition in business combination. Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortisation and impairment loss, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. Following table summaries the nature of intangibles and the estimated useful lives.

Asset Class	Estimated useful Life
Software licenses	3 years
Customer contracts / relations	2 -7 years

Amortisation method, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An intangible asset is derecognised on disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

2.13 Impairment

a) Financial assets (other than at fair value)

The company assesses at each balance sheet date, whether a financial asset or a group of financial assets is impaired. Ind AS 109, "Financial Instruments" requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and / or all trade receivables. For all other financial assets except for investments, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. In case of Investments, the Company periodically reviews its carrying value of investments for indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

b) Non-financial assets

Tangible and Intangible assets

At the end of each reporting period, the company assesses whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs or allocated. Impairment loss is charged to the profit or loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.14 Provisions

Provisions are recognised when the company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.

2 Material Accounting Policies (*Continued*)

2.15 Non derivative financial instruments

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

A Financial assets and financial liabilities

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held with a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held with a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

(iv) Investment in subsidiaries

Investment in subsidiaries is carried at cost less impairment, if any.

(v) Cash and cash equivalents

The company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(vi) Financial liabilities

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

B Share capital

Equity shares

Incremental costs directly attributable to the issue or re-purchase of equity shares, net of any tax effects, are recognised as a deduction from equity.

2.16 Earnings per share ('EPS')

Basic EPS are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.17 Derivative financial instruments and hedge accounting

The Company enters into foreign Interest rate swap contracts to hedge its risks associated with changes in floating interest rates .These instruments are initially measured at fair value and are re-measured at subsequent reporting dates. The Company at the inception documents and designates these instruments as cash flow hedges. Accordingly, the Company records the cumulative gain or loss arising from change in fair values on effective cash flow hedges in the CFHR within the other comprehensive income until the underlying transaction occurs. Gain or loss arising from change in fair values of component excluded from the assessment of hedge effectiveness as well as the ineffective portion of the designated hedges and derivative instruments that do not qualify for hedge accounting are recognized immediately in the profit or loss.

Hedge accounting is discontinued when the hedging instrument expires, terminated or exercised without replacement or rollover as part of the hedging strategy or when the hedge no longer meets the criteria for hedge accounting, the net cumulative gain or loss recognised in hedging reserve at that time remains in equity and is recognised in profit or loss when the underlying transaction affects profit or loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in hedging reserve is immediately transferred to the profit or loss for the year.

3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended December 31,2024 MCA has notified Ind AS 117 – Insurance Contracts applicable to the Company w.e.f. January 1, 2025. The Company has reviewed the new standard and based on its evaluation has determined that it does not have any significant impact in its financial information.

Amount in USD

4

A Right-of-use assets

The details of the right-of-use assets held by the Company is as follows:

	Office premises
Cost as at January 1, 2024	9,126,804
Additions	6,162,908
Disposals	(674,287)
Cost as at December 31, 2024	**14,615,425**
Accumulated amortisation as at January 1, 2024	7,621,064
Amortisation for the year	1,153,184
Disposals	(670,050)
Accumulated amortisation as at December 31, 2024	**8,104,198**
Net carrying amount as at December 31, 2024	**6,511,227**

Cost as at January 1, 2023	9,148,211
Additions	29,279
Disposals	(50,686)
Cost as at December 31, 2023	**9,126,804**
Accumulated amortisation as at January 1, 2023	4,247,323
Amortisation for the year	3,424,427
Disposals	(50,686)
Accumulated amortisation as at December 31, 2023	**7,621,064**
Net carrying amount as at December 31, 2023	**1,505,740**

B Lease Liabilities

	Opning Balance	Payment of Lease Laibilities	Net addition to Lease Laibilities	**Closing Balance**
December 31, 2024	4,389,939	(2,201,953)	6,366,717	8,554,703
December 31, 2023	6,385,382	(2,224,071)	228,628	4,389,939

5 Goodwill

	As at December 31, 2024	**As at December 31, 2023**
Opening balance	5,530,161	5,530,161
On acquistion during the period	-	-
Translation exchange rate differences	-	-
Closing balance	**5,530,161**	**5,530,161**

Amount in USD

6 Property, plant and equipment

Property, plant and equipment (PPE) consist of the following:

	Plant and Machinery [1]	Furniture and Fixtures	Office Equipment	Vehicles	Leasehold Improvements	Total
Cost as at January 1, 2024	2,678,432	573,488	104,932	-	1,461,883	4,818,735
Additions	271,008	93,293	-	104,348	102,034	570,683
(Disposals) / Adjustments		(320,099)	(38,456)		(738,829)	(1,097,384)
Cost as at December 31, 2024	**2,949,440**	**346,682**	**66,476**	**104,348**	**825,088**	**4,292,034**
Accumulated depreciation as at January 1, 2024	2,105,844	479,669	92,461	-	1,383,182	4,061,156
Depreciation for the year	440,582	21,178	7,585	18,478	68,577	556,400
(Disposals)		(259,315)	(37,587)		(738,829)	(1,035,731)
Accumulated depreciation as at December 31, 2024	2,546,426	241,532	62,459	18,478	712,930	3,581,825
Net carrying amount as at December 31, 2024	**403,014**	**105,150**	**4,017**	**85,870**	**112,158**	**710,209**
Cost as at January 1, 2023	2,519,194	556,894	133,003		1,562,543	4,771,634
Additions	205,247	50,782	-		-	256,029
(Disposals)	(46,009)	(34,188)	(28,071)		(100,660)	(208,928)
Cost as at December 31, 2023	**2,678,432**	**573,488**	**104,932**	-	**1,461,883**	**4,818,735**
Accumalated depreciation as at January 1, 2023	1,676,471	453,842	112,699		1,382,670	3,625,682
Depreciation for the year	465,771	57,784	7,833		101,172	632,560
(Disposals)	(36,398)	(31,957)	(28,071)		(100,660)	(197,086)
Accumulated depreciation as at December 31, 2023	**2,105,844**	**479,669**	**92,461**	-	**1,383,182**	**4,061,156**
Net carrying amount as at December 31, 2023	**572,588**	**93,818**	**12,471**	-	**78,701**	**757,579**

Notes:

1 Plant and machinery includes computers.

Amount in USD

7 Other Intangible Assets :

	Software licenses	Customer Contracts / Relations	Total
Cost as at January 1, 2024	1,478,260	9,894,133	11,372,393
Cost as at December 31, 2024	**1,478,260**	**9,894,133**	**11,372,393**
Accumulated amortisation as at January 1, 2024	1,478,260	6,863,248	8,341,508
Amortisation for the year [1]	-	505,146	505,146
Accumulated amortisation as at December 31, 2024	**1,478,260**	**7,368,394**	**8,846,654**
Net carrying amount as at December 31, 2024	**-**	**2,525,739**	**2,525,739**
Cost as at January 1, 2023	1,478,260	9,894,133	11,372,393
Cost as at December 31, 2023	**1,478,260**	**9,894,133**	**11,372,393**
Accumulated amortisation as at January 1, 2023	1,478,260	5,242,124	6,720,384
Amortisation for the year [1]	-	1,621,124	1,621,124
Accumulated amortisation as at December 31, 2023	**1,478,260**	**6,863,248**	**8,341,508**
Net carrying amount as at December 31, 2023	**-**	**3,030,885**	**3,030,885**

Notes

1 Amortisation is included in statement of profit and loss under the line item “Depreciation and amortisation expense”.

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Amount in USD

8 Investments

Investments – Non-current	**As at December 31, 2024**	**As at December 31, 2023**
Investments in equity instruments of fellow subsidiary (at cost)		
1 Participation share in Hexaware Technologies, Mexico S De.RL.De.C.V. at par	274	274
Investments in equity instruments of subsidiary (at cost)		
10,000 shares of USD 0.001 each in Mobiquity Inc.	180,513,607	180,513,607
Total	**180,513,881**	**180,513,881**

9 Deferred Tax

Components of deferred taxes :

Particulars	January 1, 2024	Recognised in profit or loss	December 31, 2024
Deferred tax assets			
Allowance for doubtful debts	500,000	(222,000)	278,000
Employee benefit obligations	5,595,000	1,401,000	6,996,000
Leases	1,104,000	1,047,000	2,151,000
Share based payment	3,060,000	527,000	3,587,000
Others	481,000	(29,000)	452,000
Total	**10,740,000**	**2,724,000**	**13,464,000**
Deferred tax liabilities			
Depreciation	(1,483,000)	80,000	(1,403,000)
ROU asset	812,000	825,000	1,637,000
Intangible Assets	186,000	92,000	278,000
Total	**(485,000)**	**997,000**	**512,000**
Net Deferred tax asset	**11,225,000**	**1,727,000**	**12,952,000**

Components of deferred taxes :

Particulars	January 1, 2023	Recognised in profit or loss	December 31, 2023
Deferred tax assets			
Provision for doubtful debts	305,000	195,000	500,000
Provision for employee benefits	5,511,000	84,000	5,595,000
Share based payments	4,489,000	(1,429,000)	3,060,000
Leases	1,694,000	(590,000)	1,104,000
Others	593,000	(112,000)	481,000
Total	12,592,000	(1,852,000)	10,740,000
Deferred tax liabilities			
Depreciation	(1,305,000)	(178,000)	(1,483,000)
Intangible Assets		186,000	186,000
ROU Assets	1,300,000	(488,000)	812,000
Total	**(5,000)**	**(480,000)**	**(485,000)**
Net Deferred tax asset	**12,597,000**	**(1,372,000)**	**11,225,000**

Amount in USD

10 Other financial assets

A Other financial assets – Non-current	As at December 31, 2024	As at December 31, 2023
Security deposits for premises and others	225,010	71,434
Total	**225,010**	**71,434**

B Other financial assets – Current	As at December 31, 2024	As at December 31, 2023
Others receivables from related parties	69	103,734
Security deposits for premises and others	112,683	34,235
Total	**112,752**	**137,969**

11 Other assets

A Other assets – Non-current	As at December 31, 2024	As at December 31, 2023
Capital advances	1,156,157	-
Costs to fulfill/obtain contract	2,154,987	6,968,552
Contract Assets	3,554,211	-
Prepaid expenses	48,712	31,396
Indirect taxes recoverable	6,883	-
Total	**6,920,950**	**6,999,948**

B Other assets – Current	As at December 31, 2024	As at December 31, 2023
Costs to fulfill/obtain contract	5,673,750	6,023,272
Prepaid expenses	4,370,814	1,276,276
Employee advances	532,368	781,450
Contract assets	8,664,707	676,516
Others	4,201	(10,534)
Total	**19,245,840**	**8,746,980**

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Amount in USD

12 Trade receivables

A Trade receivables - Current (Unsecured)	**As at December 31, 2024**	**As at December 31, 2023**
Trade receivables - Billed (Gross)	32,059,411	57,900,856
Less : Life time expected credit loss	(1,107,001)	(1,988,176)
Total	**30,952,410**	**55,912,680**

B Trade receivable Ageing

Ageing for trade receivables as at December 31, 2024 is as follows:

	Outstanding for following periods from due date of payment						
	Not Due	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Trade receivable - Billed							
Undisputed trade receivables – considered good	21,163,361	(3,666,612)	(85,460)	(11,306)	(24,859)	201,427	17,576,551
Undisputed trade receivables – considered good (RPT)	14,482,860	-	-	-	-	-	14,482,860
	35,646,221	(3,666,612)	(85,460)	(11,306)	(24,859)	201,427	32,059,411
Less - Life time expected credit loss							(1,107,001)
							30,952,410
Trade Receivables - Unbilled							34578838
							65,531,248

Ageing for trade receivables as at December 31, 2023 is as follows:

	Outstanding for following periods from due date of payment						
	Not Due	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**More than 3 years**	**More than 3 years**	**Total**
Trade receivable - Billed							
Undisputed trade receivables – considered good	35,401,414	4,320,769	1,091,178	-	-	-	40,813,361
Undisputed trade receivables – credit impaired	740,317	58,025	646,448	159,274	85,330	298,782	1,988,176
Undisputed trade receivables – considered good (RPT)	9,604,959	5,385,831	32,024	7,703	15,974	52,829	15,099,320
	45,746,690	9,764,625	1,769,650	166,976	101,304	351,611	57,900,856
Less - Life time expected credit loss							(1,988,176)
							55,912,680
Trade Receivables - Unbilled							28,904,141
							84,816,821

C The activity in the life time expected credit loss is given below:	**As at December 31, 2024**	**As at December 31, 2023**
Balance at the beginning of the year	1,988,176	1,207,208
Additions during the year	(737,219)	2,678,989
Charged against allowance	143,956	1,898,021
Balance at the end of the year	**1,107,001**	**1,988,176**

13 Cash and bank balances

Cash and cash equivalents	**As at December 31, 2024**	**As at December 31, 2023**
In current accounts with banks	57,063,071	27,609,440
Total	**57,063,071**	**27,609,440**

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Notes forming part of the Financial Statements for the year ended December 31, 2024

Amount in USD

14 Equity Share Capital

		As at December 31, 2024	As at December 31, 2023
14.1	**Authorised capital**		
	100,000 shares in common stock of no par value		

		As at December 31, 2024	As at December 31, 2023
14.2	**Issued, subscribed and paid-up capital**		
	30,027 shares in common stock of no par value	8,031,657	8,031,657

14.3 There is no movement in share capital during period ended December 31, 2024 and December 31, 2023

15A Borrowing

	As at December 31, 2024	As at December 31, 2023
Borrowings (unsecured)- Non-Current		
Non Convertible Debenture (Unsecured)	20,000,000	50,000,000
Total	**20,000,000**	**50,000,000**

15B Borrowings (unsecured)

	As at December 31, 2024	As at December 31, 2023
Borrowings (unsecured)- Current		
Loan From Citibank	-	-
Loan From Hexaware Tech GmbH	2,604,532	2,774,488
Loan from Hex Technologies UK	6,904,388	7,031,423
Loan from Mobiquity Inc	15,000,000	9,455,178
	24,508,920	**19,261,090**

16 Other financial liabilities

A Other financial liabilities - Non-current	As at December 31, 2024	As at December 31, 2023
Deferred Consideration towards business acquisition	-	750,126
Total	**-**	**750,126**

B Other financial liabilities - Current	As at December 31, 2024	As at December 31, 2023
Deferred Consideration towards business acquisition	202,314	2,963,671
Capital creditors		
Dues of other than micro enterprises and small enterprises	46,333	3,829
Contractual obligation - Customer arrangements	893,823	2,066,189
Others payable to related parties	312,695	-
Liabilities towards customer contracts	4,133,801	2,511,089
Employee liabilities	25,884,511	21,665,286
Total	**31,473,477**	**29,210,063**

Amount in USD

17 Trade payables

Due of other than micro enterprises and small enterprises	**As at December 31, 2024**	**As at December 31, 2023**
Trade payables	56,649,624	50,149,860
Accrued expenses	15,533,073	5,795,755
Total	**72,182,697**	**55,945,616**

B Trade payable ageing

Ageing for trade payables outstanding as at December 31, 2024 is as follows:

	Outstanding for following periods from due date of payment					
	Not Due	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Others	31,063,486	22,688,506	2,897,631	-	-	56,649,623
	31,063,486	22,688,506	2,897,631	-	-	56,649,623
Accrued expenses	15,533,073	-	-	-	-	15,533,073
						72,182,696

Ageing for trade payables outstanding as at December 31, 2023 is as follows:

	Outstanding for following periods from due date of payment					
	Not Due	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Others	26,470,677	22,157,200	1,312,510	98,591	110,883	50,149,861
	26,470,677	22,157,200	1,312,510	98,591	110,883	50,149,861
Accrued expenses	5,795,755	-	-	-	-	5,795,755
						55,945,616

18 Other liabilities

Other liabilities - Current	**As at December 31, 2024**	**As at December 31, 2023**
Contract liabilities	6,052,686	9,267,223
Statutory liabilities	1,579,626	1,297,712
Total	**7,632,312**	**10,564,935**

19 Revenue from operations Amount in USD

19.1 The disaggregated revenue with the customers by contract type:

	For the year ended	
	December 31, 2024	December 31, 2023
Onsite IT Services	464,810,421	380,630,149
Offshore IT Services	76,403,852	71,498,813
IT Services	**541,214,273**	**452,128,962**
BPS Services	15,274,903	17,263,941
Others	12,181,839	8,355,721
Total revenue from operations	**568,671,015**	**477,748,623**

19.2 The revenue from contracts as per geography is as under:

	For the year ended	
	December 31, 2024	December 31, 2023
America *	431,143,012	388,813,324
Europe	809,854	684,962
APAC	136,718,149	88,250,337
Total revenue from operations	**568,671,015**	**477,748,623**

* is substantially related to operations in United States of America.

19.3 Reconciliation of revenue recognised with the contracted price is as follows:

	For the year ended	
	December 31, 2024	December 31, 2023
Contracted price	575,424,331	481,426,687
Reductions towards variable consideration components (discounts, rebate)	(6,753,316)	(3,678,064)
Revenue recognised	**568,671,015**	**477,748,623**

19.4 Cost to fulfil/obtain contract

The Company recognises contract fulfilment/obtaining cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognised is amortised on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates. The below table discloses the movement in contract fulfilment cost:

	For the year ended	
	December 31, 2024	December 31, 2023
Balance as at the beginning of the year	12,991,824	10,131,215
Cost capitalised during the year	-	5,600,000
Amortization during the year	(5,163,087)	(2,739,391)
Balance as at the end of the year	**7,828,737**	**12,991,824**

19.5 Changes in Contract Liabilities / Unearned revenues are as follows:

	For the year ended	
	December 31, 2024	December 31, 2023
Balance at the beginning of the year	9,267,223	5,023,946
Revenue recognised during the year	(8,157,319)	(4,687,343)
Addition during the year	4,942,782	8,930,619
Balance at the end of year	**6,052,686**	**9,267,223**

19.6 Contract Assets are as follows:

During the year ended December 31, 2024 and December 31, 2023, USD 12,418,917 and USD 758,833 million of contract assets pertaining to fixed-price development contracts have been reclassified to receivables on completion of milestones.

19.7 Transaction price allocated to the remaining performance obligations

	For the year ended	
Particulars	December 31, 2024	December 31, 2023
Within 1 Year	56,116,606	38,147,292
More than 1 Year	40,815,810	14,377,217

The Company has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity’s performance completed to date. The above revenue is subject to change in transaction price.

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Amount in USD

20 Other income	**For the year ended December 31, 2024**	**For the year ended December 31, 2023**
Interest income	811,713	335,969
Exchange rate difference (net)	68,736	(1,127,649)
Miscellaneous income	94,397	14
Total	**974,846**	**(791,667)**

21 Employee benefits expense	**For the year ended December 31, 2024**	**For the year ended December 31, 2023**
Salary and allowances	229,837,523	201,889,990
Contribution to provident, other funds and benefits	33,048,964	28,984,759
Staff welfare expenses	1,231,511	888,403
Received / transferred on exercise of stock options	2,095,262	813,793
Total	**266,213,260**	**232,576,946**

22 Other expenses	**For the year ended December 31, 2024**	**For the year ended December 31, 2023**
Rent	-	496
Rates and taxes	72,896	85,914
Travelling and conveyance	12,023,215	9,045,206
Electricity charges	159,756	172,536
Communication expenses	1,563,474	1,444,351
Repairs and maintenance	23,824,617	15,861,526
Printing and stationery	124,329	194,572
Legal and professional fees	3,818,694	1,019,627
Advertisement and business promotion	5,793,612	4,652,117
Bank and other charges	24,260	35,016
Insurance charges	215,577	232,815
Sub contracting and other service charges	207,506,333	175,214,651
Debts and advances written off	143,956	-
Life time expected credit loss	(881,175)	838,216
Profit / (Loss) on sale of property, plant and equipment (net)	61,653	11,842
Staff recruitment expenses	2,119,509	2,807,269
Miscellaneous expenses	105,797	198,690
Total	**256,676,503**	**211,814,843**

23 Finance costs	**For the year ended December 31, 2024**	**For the year ended December 31, 2023**
Interest on borrowings	1,859,698	2,101,930
Interest on Debentures	1,125,082	462,559
Interest on lease liabilities	208,047	199,349
Others	602,066	515,809
Total	**3,794,893**	**3,279,646**

Amount in USD

24 Earnings per share (EPS)

The components of basic and diluted EPS:	For the year ended December 31, 2024	For the year ended December 31, 2023
Net profit after tax	33,240,105	16,432,466
Weighted average outstanding equity shares considered for basic EPS	30,027	30,027
Basic and diluted earnings per share (USD)	1,107.01	547.26

25 Related party disclosures

25.1 Name of Related Parties and description of relationship:	Country
Ultimate Holding Company and it's subsidiaries	
CA Magnum Holdings	Mauritius
Parent company of Hexaware Technologies Inc (control exists)	
Hexaware Technologies Limited	India
Subsidiaries	
Mobiquity Inc.	USA
Mobiquity Velocity Solutions, Inc (1)	USA
Mobiquity Velocity Cooperative UA (1)	Netherland
Mobiquity BV (2)	Netherland
Mobiquity Consulting BV (formerly known as Morgan Clark BV)(2)	Netherland
Hexaware Nevada Inc	USA
Affiliate of Promoter	
Carlyle Investment Management,L.L.C	USA
Fellow Subsidiaries	
Hexaware Technologies Canada Limited	Canada
Hexaware Technologies Gmbh,	Germany
Hexaware Technologies UK Limited.	United Kingdom
Hexaware Technologies, Mexico S. De R.L. De C.V.,	Mexico

Key Management Personnel

Mr. R. Srikrishna, Director and Chief Executive Officer of Holding Company

Mr. Ravi Vaidyanathan, Director

Notes:

1. Subsidiary of Mobiquity Inc.
2. Subsidiary of Mobiquity Velocity Cooperative UA

25 Related party disclosures (*Continued*)

25.2 Transactions during the period

Sr No	Particulars	Name Of Related Party And Nature of relationship	For the year ended December 31, 2024	For the year ended December 31, 2023
1	Reimbursement of Cost to	**Holding Company**	2,095,262	-
		Subsidiaries		
		Mobiquity Inc	-	44,880
		Fellow Subsidiaries		
		Hexaware Technologies Mexico S.DE RL. DE C.V	403,259	1,059,033
2	Employee advances reimbursed to	**Holding Company**	636,387	1,002,816
		Fellow Subsidiaries		
		Hexaware Technologies UK LTD	12,324	-
3	Software & Development Expenses	**Holding Company**	-	2,477,597
		Subsidiaries		
		Mobiquity Inc	135,902	1,243,228
		Mobiquity Bv	-	290,165
		Affiliate of Promoter		
		Carlyle Investment Management,L.L.C	9,490,128	-
		Fellow Subsidiaries		
		Hexaware Technologies Mexico S.DE RL. DE C.V	39,246,967	47,893,266
		KMP		
		Mr. R. Srikrishna	3,910,678	3,767,278
		Mr. Ravi Vaidyanathan	619,262	527,127
4	Share based cost	Ultimate Holding Company Hexaware Global Limited (Ertstwhile CA Campine Investments)	-	237,945
5	Loan Taken	**Fellow Subsidiaries**		
		Hexaware technologies Gmbh	-	2,636,000
		Hexaware Technologies UK LTD	-	9,770,400
		Subsidiaries		
		Mobiquity Inc	15,000,000	5,000,000
6	Subscribe Non Convertible Debentures	**Holding Company**	-	15,000,000
7	Subscribe Non Convertible Debentures Paid	**Holding Company**	30,000,000	-
8	Loan Repaid	**Subsidiaries**		
		Mobiquity Inc	9,000,000	-
		Fellow Subsidiaries		
		Hexaware technologies Gmbh	-	3,013,805
		Hexaware Technologies UK LTD	-	21,081,437
9	Interest on Debenture	**Holding Company**	1,125,082	839,145
10	Guarantee Charges	**Holding Company**	348,500	-
11	Interest charges	**Holding Company**	-	36,534
		Subsidiaries		
		Mobiquity Inc	717,074	455,178
		Fellow Subsidiaries		
		Hexaware technologies Gmbh	143,249	137,215
		Hexaware Technologies UK LTD	517,829	789,250
12	Software & Consultancy Income	**Holding Company**	149,498,612	87,995,192
		Affiliate of Promoter		
		Carlyle Investment Management,L.L.C	2,101,739	-
		Subsidiaries		
		Mobiquity Inc	29,837	21,940
13	Recovery of Cost / Advances from	**Holding Company**	21	7,887
		Fellow Subsidiaries		
		Hexaware Technologies Canada Ltd	100	1,151,248
		Hexaware Technologies Mexico S.DE RL. DE C.V	16,491	14,104

25 Related party disclosures (*Continued*)

25.3 Closing Balances

Particular	Nature of relationship	As at December 31, 2024	As at December 31, 2023
Trade Receivable	**Holding Company**	14,482,860	14,995,984
	Affiliate of Promoter		
	Carlyle Investment Management,L.L.C	695,744	-
Advances	**Holding Company**	21	7,887
	Fellow Subsidiaries		
	Hexaware Technologies Canada Limited	249	339
	Hexaware Technologies Mexico S.DE RL. DE C.V	-	95,439
Other Receivable	**Holding Company**	15,843,358	12,076,621
Investment in equity (refer note 6A & 6B)	**Subsidiaries**		
	Mobiquity Inc	180,513,607	180,513,607
	Fellow Subsidiaries		
	Hexaware Technologies Mexico S.DE RL. DE C.V	274	274
Subscribe Non Convertible Debentures	**Holding Company**	20,000,000	50,000,000
Debenture Int Payables	**Holding Company**	82,061	-
Guarantee Payables	**Holding Company**	93,500	-
Loans payable including Intrest accrued	**Subsidiaries**		
	Mobiquity Inc	15,082,044	9,455,178
	Fellow Subsidiaries		
	Hexaware technologies Gmbh	2,616,469	2,774,488
	Hexaware Technologies UK LTD	6,947,541	7,031,423
Trade Payable	**Holding Company**	2,152,667	436,220
	Subsidiaries		
	Mobiquity Inc	-	64,212
	Fellow Subsidiaries		
	Hexaware Technologies Mexico S.DE RL. DE C.V	11,180,601	12,866,426
	Hexaware Technologies UK Limited., UK	12,364	40
Others Payable	**Affiliate of Promoter**		
	Carlyle Investment Management,L.L.C	612,626	-
Payablet to/ Provision for KMP/ director	**KMP**		
	Mr. R. Srikrishna	854,456	762,491
	Mr. Ravi Vaidyanathan	304,397	205,121

Amount in USD

26 Capital Commitment & Contingent Liabilities

Capital Commitment

Estimated amount of contracts remaining to be executed on capital account not provided for (Net of Advances) US $ 291,656 (Previous year US $ NIL).

Contingent Liabilities

There are no outstanding contingent liabilities.

27 Employee Benefits

The Company recognized USD 12,679,928 (Previous Year USD 11,185,577) for pension fund contributions in Statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the schemes and the company has no further obligations under such schemes.

28 Income taxes

28 (A) Income tax expense is allocated as follows :

	For the year ended December 31, 2024	For the year ended December 31, 2023
Income tax expense as per the Statement of Profit and Loss	7,506,369	7,174,945
	7,506,369	7,174,945

28 (B) The reconciliation of estimated income tax expense at the US statutory income tax rate to the income tax expenses reported in statement of profit and loss is as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Profit before income-tax	40,746,474	23,607,411
Expected tax expense at the enacted tax rate in United States of America 25.15%	10,247,738	5,937,264
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Tax effect of non-deductible expenses	167,371	135,432
Tax benefit items		
Tax charges/ (credit) pertaining to earlier years	(2,459,631)	46,945
Others	(449,109)	1,055,304
	7,506,369	7,174,945
EffectiveTax rate	**18.4%**	**30.4%**

The Company had undergone tax assessment proceedings for the year 2017. Review was primarily towards related party transactions between group companies. The Company had made an application to competent authorities for mutual resolution between US and India under Mutual Agreement Procedure which was concluded by tax authorities in favor of the Company. However, the Company has continued making tax provision on additional TP on a conservative basis. Total YTD provision considered on this account is (net) of USD 10.255 Million

Amount in USD

29 Financial Instruments

(i) The carrying value / fair value of financial instruments (other than investment in associate/subsidiary) by categories as at December 31, 2024 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	57,063,071	-	-	-	57,063,071
Trade receivables	30,952,410	-	-	-	30,952,410
Unbilled receivables	34,578,838	-	-	-	34,578,838
Other financial assets	337,762	-	-	-	337,762
Total	**122,932,081**	**-**	**-**	**-**	**122,932,081**
Borrowings	44,508,920	-	-	-	44,508,920
Trade payables	72,182,697	-	-	-	72,182,697
Lease liabilities	8,554,703	-	-	-	8,554,703
Other financial liabilities	31,473,477	-	-	-	31,473,477
Total	**156,719,797**	**-**	**-**	**-**	**156,719,797**

(iii) The carrying value / fair value of financial instruments (other than investment in associate/subsidiary) by categories as at December 31, 2023 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	27,609,440	-	-	-	27,609,440
Trade receivables	55,912,680	-	-	-	55,912,680
Unbilled receivables	28,904,141	-	-	-	28,904,141
Other financial assets	209,403	-	-	-	209,403
Total	**112,635,664**	**-**	**-**	**-**	**112,635,664**
Borrowings	69,261,090	-	-	-	69,261,090
Trade payables	55,945,616	-	-	-	55,945,616
Lease liabilities	4,389,939	-	-	-	4,389,939
Other financial liabilities	29,960,189	-	-	-	29,960,189
Total	**159,556,833**	**-**	**-**	**-**	**159,556,833**

Amount in USD

29 Financial Instruments (continued)

(iii) Category of financials instrument

1 Carrying amount of cash and cash equivalents, trade receivables, unbilled revenue, trade and other payables, other financial assets and liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of, unbilled receivables and other financial assets subsequently measured at amortised cost is not significant in each of the periods presented.

2 Investment in fellow subsidiary is measured at cost.

(iv) Fair value hierarchy

Fair value measurements are categorised into Level I, II or III based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level I inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level II inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level III inputs are unobservable inputs for the asset or liability

(v) Financial risk management

The Company has identified the risks under verticals like client concentration risk, credit risk and liquidity risk. The Company has formulated policies, procedures and strategies for managing risks which is affirmed by global CEO and CFO, after consultation with all business units, functions and department heads.

Geographic and client concentration risk

Approximately 67.12% of the revenue of 2024 is generated from top 10 clients (year 2023 ~ 65.61%). Any loss or major downsizing by these clients may impact Company's profitability. Further, excessive exposure to particular clients will limit groups negotiating capacity and expose us to higher credit risk.

The Company is able to maintain a diversified high quality client roster that can be accessed through the depth of relationships with existing clients.

The Company's growth strategy involves a mix of new client addition and mining the accounts of existing clients. As we add more clients and grow our revenues from the existing clients, we naturally reduce our dependence on the large clients. Moreover, large clients allow quick scaling up of revenues and they come with much higher margins due to lower associated cost and higher cost predictability.

Credit Risk

Since most of our transactions are done on credit, we are exposed to credit risk on accounts receivable. Any delay, default or inability on the part of the client to pay on time will expose us to credit risk and can impact our profitability. Our maximum credit exposure is in respect of trade receivables of USD 30,952,410 and USD 55,912,680 as at December 31, 2024 and December 31, 2023 respectively and unbilled receivables of USD 34,578,838 and 28,904,141 as at December 31, 2024 and December 31, 2023 respectively.

We have adopted an effective receivable management system to control the Days' Sales Outstanding (DSO). Refer Note No.10 for the age wise analysis of trade receivables that are not due as well as past due and credit impaired.

Top 10 customer dues contribute 82.62 % of the total outstanding as at December 31, 2024 (59.68% as at December 31, 2023)

Cash and cash equivalents are neither past due nor impaired. Cash and cash equivalents include deposits with banks and financial institution with high credit-ratings assigned by credit-rating agencies.

29 Financial Instruments (continued)

Foreign Currency fluctuations risk

Foreign exchange fluctuations is one of the key risks impacting our business. The offshore part of the revenue remains exposed to the risk of US Dollar appreciation which is functional currency of the Company vis-a-vis the CAD, the Euro and other foreign currencies, as largely, the costs incurred are in US Dollar and the revenue/ inflows are in foreign currencies. The contracts we enter into with our customers tend to run across several years and many of these contracts are at fixed rates, therefore any changes in the US Dollar vis-à-vis foreign currencies will affect our margins.

The following table analyses foreign currency risk from financial instruments as at December 31, 2024

	CAD	EUR	GBP	Others*
Net financial assets	-	-	528,391	-
Net financial liabilities	224	3,152,634	6,947,301	79,836
Net assets/(liabilities)	(224)	(3,152,634)	(6,418,910)	(79,836)

The following table analyses foreign currency risk from financial instruments as at December 31, 2023

	CAD	EUR	GBP	Others*
Net financial assets	382,287	-	628,068	555
Net financial liabilities	243	2,774,488	7,031,423	34,442
Net assets/(liabilities)	382,044	(2,774,488)	(6,403,356)	(33,887)

10% depreciation/appreciation of the respective foreign currencies vis-a-vis functional currency of the Company and its subsidiaries would result in the increase/ decrease in Company's profit before tax approximately by USD 965,160 and USD 882,969 for the year ended December 31, 2024 and December 31, 2023, respectively.

*Others include currencies such as Singapore Dollars, Australian Dollars etc.

Liquidity risk

The Company needs continuous access to funds to meet short and long term strategic investment requirements. The Company's inability to meet such requirements in stipulated period may hamper growth plan and even ongoing operations. Further, the Company's inability to quickly convert assets into cash without incurring any appreciable loss will expose it to liquidity risks.

Over the years, the Company has increased its liquidity position by improving its DSO and maintaining high cash / bank balance.

As at December 31, 2024, the Company had cash and cash equivalebts of USD 57,063,071 (as at December 31, 2023 USD 27,609,440) which constitutes approximately 15.44% of our total assets (previous year 8.34 %).

The tables below provide details of the contractual maturities of significant financial liabilities as at:

As at December 31, 2024	Less than 1 year	1-2 years	3-5 years	Beyond 5 years	Total
Lease liabilities	1,043,175	1,384,909	1,989,121	4,137,497	8,554,703
Borrowings	24,508,920	20,000,000	-	-	44,508,920
Trade and other payables	69,285,065	2,897,631	-	-	72,182,697
Other financial liabilities	31,473,477	-	-	-	31,473,477
Total	**126,310,637**	**24,282,541**	**1,989,121**	**4,137,497**	**156,719,797**

As at December 31, 2023	Less than 1 year	1-2 years	3-5 years	Beyond 5 years	Total
Lease liabilities	2,359,953	1,524,156	505,830	-	4,389,939
Borrowings	42,229,666	12,031,424	15,000,000	-	69,261,090
Trade and other payables	55,136,436	1,312,510	209,474	-	56,658,420
Other financial liabilities	28,497,259	-	-	-	28,497,259
Total	**128,223,314**	**14,868,090**	**15,715,304**	**-**	**158,806,708**

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group’s exposure to the risk of changes in market interest rates relates primarily to the Group’s debt obligations with floating interest rates net of derivative contracts entered into by the Company. The balance with banks is in the form of fixed interest rate deposits.

Capital management

The company’s objectives when managing capital is to maintain optimal capital structure to continue to provide for adequate capital in the business, returns for shareholders and benefits for other stakeholders in the form of dividends, return of capital or issue of new shares.

30 Segments

As per Ind AS 108 on “Operating Segments”, segment reporting information has been provided under the notes to the consolidated financial statements of Hexaware Technologies Limited.

31 Material events after Balance Sheet date

There is no significant event after reporting date which requires adjustments or disclosure to the financial statements.

32 Approval of the financial statements

The financial statements were approved for issue by the Board of Directors on March 4, 2025.

The accompanying notes 1 to 32 form an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firms' registration number: 101248W/W-100022

Jaclyn Desouza

Partner

Membership number: 124629

Place: Rovaniemi

Date: March 06, 2025

For and on behalf of the Board of Directors of HEXAWARE TECHNOLOGIES INC

R. Srikrishna

CEO & Executive Director

DIN 03160121

Place: Mumbai

Date: March 05, 2025

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center, Western Express
Highway,
Goregaon (East), Mumbai - 400 063

Telephone: +91 22 6257 1000
Fax: +91 22 6257 1010

Independent Auditor's Report

To the Board of Directors of

Hexaware Technologies Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Hexaware Technologies Canada Limited ("the Company"), which comprise the Balance Sheet as at 31 December 2024, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to Ind AS financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December 2024, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

Management's and Board of Directors' Responsibility for the Ind AS Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

Independent Auditor's Report *(Continued)*

Management's and Board of Directors' Responsibility for the Ind AS Financial Statements *(Continued)*

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 SAs 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 Ind AS financial statements.

As part of an audit in accordance with SAs, 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 internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report *(Continued)*

Auditor's Responsibility for the Financial Statements *(Continued)*

- 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.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W–100022

Jaclyn Desouza
Partner
Membership No: 124629 ICAI
UDIN: 25124629BMOQGS3494

Rovaniemi
06 March 2025

Hexaware Technologies Canada Limited

600 Matheson Blvd. West Unit 5,
Mississauga ON Canada L5R 4C1
Balance Sheet as at December 31, 2024

Amount in CAD

	Note No.	As at December 31, 2024	As at December 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	676	8,794
Total non-current assets		**676**	**8,794**
Current assets			
Financial assets:			
Trade receivables			
Billed	7	3,753,941	4,601,851
Unbilled		3,097,283	2,621,719
Cash and cash equivalents	8	5,422,221	4,617,157
Other financial assets	5	3,950	3,950
Other current assets	6	25,456	86,205
Total current assets		**12,302,851**	**11,930,882**
TOTAL ASSETS		**12,303,527**	**11,939,676**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	23,385	23,385
Other equity		7,155,465	5,490,486
Total equity		**7,178,850**	**5,513,871**
Current liabilities			
Financial liabilities:			
Trade payables	11	1,783,689	3,684,557
Other financial liabilities	10	1,615,679	1,412,743
Other current liabilities	12	738,346	685,529
Provisions		730,614	504,776
Income tax liabilities (net)		256,349	138,200
Total current liabilities		**5,124,677**	**6,425,805**
Total liabilities		**5,124,677**	**6,425,805**
TOTAL EQUITY AND LIABILITIES		**12,303,527**	**11,939,676**

The accompanying notes 1 to 24 form an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firms' registration number: 101248W/W-100022

Jaclyn Desouza
Partner
Membership number: 124629
Place: Rovaniemi
Date: March 06, 2025

For and on behalf of the Board of Directors of Hexaware Technologies Canada Limited

R. Srikrishna
CEO & Executive Director
DIN 03160121
Place: Mumbai
Date: March 05, 2025

Hexaware Technologies Canada Limited

600 Matheson Blvd. West Unit 5,
Mississauga ON Canada L5R 4C1
Statement of Profit And Loss for the Year ended December 31, 2024

Amount in CAD

	Note No.	For the Year ended December 31, 2024	For the Year ended December 31, 2023
INCOME			
Revenue from operations	13	37,666,800	33,332,292
Other Income	14	35,950	-
TOTAL INCOME		**37,702,750**	**33,332,292**
EXPENSES			
Employee benefits expense	15	25,739,377	22,168,328
Finance costs		784	1,951
Depreciation and amortisation expense	4, 4, 5	8,118	6,522
Operating and other expenses	16	9,660,158	9,794,847
TOTAL EXPENSES		**35,408,437**	**31,971,648**
PROFIT BEFORE TAX		**2,294,313**	**1,360,643**
Tax expense	16		
Current tax		629,334	402,635
Total tax expense		**629,334**	**402,635**
PROFIT FOR THE PERIOD		**1,664,979**	**958,008**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**1,664,979**	**958,008**
Earnings per equity share:- Basic and diluted	17		
Basic and Diluted		1,664,979	958,008

The accompanying notes 1 to 24 form an integral part of the financial statements.
As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants
Firms' registration number: 101248W/W-100022

Jaclyn Desouza
Partner
Membership number: 124629
Place: Rovaniemi
Date: March 06, 2025

For and on behalf of the Board of Directors of Hexaware Technologies Canada Limited

R. Srikrishna
CEO & Executive Director
DIN 03160121
Place: Mumbai
Date: March 05, 2025

Hexaware Technologies Canada Limited

600 Matheson Blvd. West Unit 5,
Mississauga ON Canada L5R 4C1
Interim Statement of Changes in Equity for the Nine Months ended December 31, 2024

Amount in CAD

	As at December 31, 2024	As at December 31, 2023
A. EQUITY SHARE CAPITAL		
Outstanding at the beginning of the year	23,385	23,385
Outstanding at the end of the Year	**23,385**	**23,385**

B. OTHER EQUITY

	Total equity
Balance as at January 1, 2024	5,490,486
Profit for the Year	1,664,979
Total comprehensive income	**1,664,979**
Balance as at December 31, 2024	**7,155,465**
Balance as at January 1, 2023	4,532,478
Profit for the Year	958,008
Total comprehensive income	**958,008**
Balance as at December 31, 2023	**5,490,486**

The accompanying notes 1 to 24 form an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firms' registration number: 101248W/W-100022

Jaclyn Desouza
Partner
Membership number: 124629
Place: Rovaniemi
Date: March 06, 2025

For and on behalf of the Board of Directors of Hexaware Technologies Canada Limited

R. Srikrishna
CEO & Executive Director
DIN 03160121
Place: Mumbai
Date: March 05, 2025

Hexaware Technologies Canada Limited

600 Matheson Blvd. West Unit 5,
Mississauga ON Canada L5R 4C1
Statement of Cash Flows for the Year ended December 31, 2024

Amount in CAD

	For the Year ended	
	December 31, 2024	**December 31, 2023**
Cash flow from operating activities		
Profit before tax	**2,294,313**	**1,360,643**
Adjustments for:		
Depreciation and amortisation expense	8,118	6,522
Finance costs	784	1,952
Operating profit before working capital changes	**2,303,215**	**1,369,117**
Adjustments for:		
Trade receivables and other assets	433,094	1,365,211
Trade payables, other liabilities and provisions	(1,419,276)	192,820
Cash generated from operations	**1,317,033**	**2,927,148**
Direct taxes paid (net)	(511,185)	(268,866)
Net cash generated from operating activities	**805,848**	**2,658,282**
Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	-	5,225
Net cash used in investing activities	**-**	**5,225**
Cash flow from financing activities		
Interest paid	(784)	(1,952)
Net cash used in financing activities	**(784)**	**(1,952)**
Net (decrease) / increase in cash and cash equivalents	**805,064**	**2,661,555**
Cash and cash equivalents at the beginning of the period	4,617,157	1,955,602
Cash and cash equivalents at the end of the period (Refer to note 9)	**5,422,221**	**4,617,157**

The statement of cash flows has been prepared using the indirect method as set out in Ind AS 7.

The accompanying notes 1 to 24 form an integral part of the financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firms' registration number: 101248W/W-100022

Jaclyn Desouza
Partner
Membership number: 124629
Place: Rovaniemi
Date: March 06, 2025

For and on behalf of the Board of Directors of Hexaware Technologies Canada Limited

R. Srikrishna
CEO & Executive Director
DIN 03160121
Place: Mumbai
Date: March 05, 2025

Hexaware Technologies Canada Limited

600 Matheson Blvd. West Unit 5,
Mississauga ON Canada L5R 4C1
Notes forming part of Financial Statements for the Year ended December 31, 2024

1 Company Overview

Hexaware Technologies Canada Limited ('the Company') is a wholly owned subsidiary of Hexaware Technologies Limited, a foreign corporation incorporated in India ('The Holding Company').

The Company was incorporated in October 2001. The Company provides information technology ("IT") services and solutions to its clients, primarily in the form of professional IT and consulting services.

2 Material Accounting Policies

2.1 Statement of Compliance

The financial statements comply in all material aspects with Indian Accounting standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act as amended from time to time.

2.2 Basis of Preparation

These financial statements are prepared on historical cost basis, except for certain financial instruments which are measured at fair values as explained in the accounting policies below.

These financial statements have been prepared in Canadian Dollars (CAD $) which is the functional currency of the Company

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

2.3 Critical accounting judgements and key source of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expense, assets and liabilities and disclosures relating to contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the period in which the estimate is revised and in any future period affected.

Key source of estimation uncertainty which may cause material adjustments:

2.3.1 Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts expended to date as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Contract fulfilment costs/contract assets are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.3.2 Income-tax

The major tax jurisdiction for the Company is Canada. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax asset on unrecognised tax benefits. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.3.3 Provisions

Provisions are recognised when the company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.

2.3.4 Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2.3.5 Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

2.3.6 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.3.7 Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

In case of contract on time and material basis, transaction-based or volume-based contracts, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognized using percentage of completion method. The Company uses the efforts expended to date as a proportion to the total efforts to be expended as a basis to measure the degree of completion. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated.

Revenue from fixed price maintenance contracts, testing and business process services are recognised based on the right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If invoicing is not consistent with value delivered, revenue is recognized as the services are performed. When value of services provided is uniform over a specified period, revenue is recognised on a straight-line basis over the specified period unless some other method better represents the manner in which services are performed.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Revenues in excess of billing are classified as unbilled receivables while billing in excess of revenues are classified as contract liabilities (unearned revenues). Invoicing to the clients for fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled receivables for fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

The Company recognizes an onerous cost provision for the estimated losses in the statement of profit and loss, when the total estimated cost exceeds the revenue in an arrangement based on the current contract estimates.

2 Material Accounting Policies (*Continued*)

2.3.8 Employee benefits

a) **Post-employment benefits and other long term benefit plan**
Company's contribution to defined contribution retirement schemes is charged to Statement of Profit and Loss as incurred.

b) **Short term employee benefit**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.3.9 Taxes on Income

a) Income tax expense comprises of current tax and deferred tax. Current and deferred tax are recognised in net income, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

b) Current tax is measured at the amount expected to be paid or recovered from the domestic and overseas tax authorities using enacted or substantively enacted tax rates.

c) Deferred taxes are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profits, except when the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profit at the time of the transaction.

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

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

f) Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

g) Advance taxes and provisions for current income taxes as well as deferred tax assets and liabilities are presented in the Balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the entity intends to settle the asset and liability on a net basis.

2 Material Accounting Policies *(Continued)*

2.3.10 Property, plant and equipment (PPE)

PPE are stated at cost of acquisition less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation

Depreciation is provided on straight-line method based on the estimated useful lives of the assets as determined by the management based on the expert technical advice/ stipulations of schedule II to the Act.

Asset Class	Estimated useful Life
Computer Systems (included in Plant and Machinery)	3 years

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

2.3.11 Impairment

a) Financial assets (other than at fair value)

The company assesses at each balance sheet date, whether a financial asset or a group of financial assets is impaired. Ind AS 109, "Financial Instruments" requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and / or all trade receivables. For all other financial assets except for investments, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. In case of Investments, the Company periodically reviews its carrying value of investments for indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

b) Non-financial assets

Tangible and Intangible assets

At the end of each reporting period, the company assesses whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs or allocated. Impairment loss is charged to the profit or loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2 Material Accounting Policies (*Continued*)

2.3.12 Non derivative financial instruments

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

A Financial assets and financial liabilities

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held with a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held with a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

(iv) Cash and cash equivalents

The company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(v) Financial liabilities

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

B Share capital

Equity shares

Incremental costs directly attributable to the issue or re-purchase of equity shares, net of any tax effects, are recognised as a deduction from equity.

2.3.13 Earnings per share (‘EPS’)

Basic EPS are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

3 Recent accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the nine months period ended September 30, 2024, MCA has notified Ind AS 117 – Insurance Contracts applicable to the Company w.e.f. January 1, 2025. The Company has reviewed the new standard and based on its evaluation has determined that it does not have any significant impact in its Restated consolidated financial information.

Hexaware Technologies Canada Limited

600 Matheson Blvd. West Unit 5,
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Notes forming part of Financial Statements for the Year ended December 31, 2024

Amount in CAD

4 Property, plant and equipment

Property, plant and equipment (PPE) consist of the following:

	Plant and Machinery [1]
Cost as at January 1, 2024	33,359
Cost as at December 31, 2024	**33,359**
Accumulated depreciation as at January 1, 2024	24,564
Depreciation for the year	8,119
Accumulated depreciation as at December 31, 2024	32,683
Net carrying amount as at December 31, 2024	**676**
Cost as at January 1, 2023	38,584
(Disposals) / Adjustments	(5,225)
Cost as at December 31, 2023	**33,359**
Accumalated depreciation as at January 1, 2023	18,043
Depreciation for the year	6,522
Accumulated depreciation as at December 31, 2023	**24,565**
Net carrying amount as at December 31, 2023	**8,794**

Notes:

1 Plant and machinery includes computers.

Amount in CAD

5 Other financial assets

Other financial assets – Current	**As at December 31, 2024**	**As at December 31, 2023**
Security deposits for premises and others	3,950	3,950
Total	**3,950**	**3,950**

6 Other assets

Other assets – Current	**As at December 31, 2024**	**As at December 31, 2023**
Employee advances	14,612	65,505
Contract assets	-	9,856
Others	10,844	10,844
Total	**25,456**	**86,205**

Hexaware Technologies Canada Limited

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Notes forming part of Financial Statements for the Year ended December 31, 2024

Amount in CAD

7 Trade receivables

A Trade receivables - Current (Unsecured)	**As at December 31, 2024**	**As at December 31, 2023**
Trade receivables - Billed (Gross)	3,775,724	4,601,851
Less : Life time expected credit loss	(21,783)	-
Total	**3,753,941**	**4,601,851**

B Ageing for trade receivables as at December 31, 2024 is as follows:

		Outstanding for following periods from due date of payment					
	Not Due	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Trade receivables - Billed (Gross)							
Undisputed trade receivables – considered good	3,161,226	607,280	1,207	6,012	-	-	3,775,724
	3,161,226	607,280	1,207	6,012	-	-	3,775,724
Less : Life time expected credit loss							(21,783)
							3,753,941
Trade Receivables - Unbilled							3,097,283
							6,851,224

Ageing for trade receivables as at December 31, 2023 is as follows:

		Outstanding for following periods from due date of payment					
	Not Due	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Trade receivables - Billed (Gross)							
Undisputed trade receivables – considered good	3,750,902	850,949	-	-	-	-	4,601,851
	3,750,902	850,949	-	-	-	-	4,601,851
							4,601,851
Trade Receivables - Unbilled							2,621,719
							7,223,570

C The activity in the life time expected credit loss is given below:	**As at December 31, 2024**	**As at December 31, 2023**
Balance at the beginning of the year	-	-
Additions during the year	21,783	-
Charged against allowance	-	-
Balance at the end of the year	21,783	-

8 Cash and bank balances

Cash and cash equivalents	**As at December 31, 2024**	**As at December 31, 2023**
In current accounts with banks	5,422,221	4,617,157
Total	**5,422,221**	**4,617,157**

Hexaware Technologies Canada Limited

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Notes forming part of Financial Statements for the Year ended December 31, 2024

Amount in CAD

9 Equity Share Capital

		As at December 31, 2024	As at December 31, 2023
9.1	**Authorised capital**		
	Unlimited Share Capital Consisting of 9 Classes of shares (Series A)	-	-

		As at December 31, 2024	As at December 31, 2023
9.2	**Issued, subscribed and paid-up capital**		
	1 Share in common stock of no par value of Class "A" shares	23,385	23,385

9.3 There is no movement in share capital during year ended December 31, 2024 and December 31, 2023

9.4 All shares are held by Hexaware Technologies Limited, the holding company.

10 Other financial liabilities

Other financial liabilities - Current	As at December 31, 2024	As at December 31, 2023
Employee liabilities	1,615,679	1,412,743
Total	**1,615,679**	**1,412,743**

Hexaware Technologies Canada Limited

600 Matheson Blvd. West Unit 5,
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Notes forming part of Financial Statements for the Year ended December 31, 2024

Amount in CAD

11 Trade payables

	As at December 31, 2024	As at December 31, 2023
Trade payables	761,694	3,039,441
Accrued expenses	1,021,995	645,116
Total	**1,783,689**	**3,684,557**

B Trade payable ageing

Ageing for trade payables outstanding as at December 31, 2024 is as follows:

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Others	702,125	59,569	-	-	-	761,694
	702,125	59,569	-	-	-	761,694
Accrued Expenses						1,021,995
						1,783,689

Ageing for trade payables outstanding as at December 31, 2023 is as follows:

	Not Due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Others	731,396	2,307,723	322	-	-	3,039,441
	731,396	2,307,723	322	-	-	3,039,441
Accrued Expenses						645,116
						3,684,557

12 Other liabilities

Other liabilities - Current	As at December 31, 2024	As at December 31, 2023
Contract liabilities	74,452	72,426
Statutory liabilities	663,894	613,103
Total	**738,346**	**685,529**

Amount in CAD

13 Revenue from operations

13.1 The disaggregated revenue with the customers by contract type:

	For the Year ended December 31, 2024	For the Year ended December 31, 2023
Onsite IT Services	17,442,821	15,901,779
Offshore IT Services	18,964,231	15,817,890
IT Services	**36,407,052**	**31,719,669**
BPS Services	1,255,674	1,612,623
Others	4,074	-
Total revenue from operations	**37,666,800**	**33,332,292**

13.2 The revenue from contracts as per geography is as under:

	For the Year ended December 31, 2024	For the Year ended December 31, 2023
Contracted price	40,694,709	35,791,644
Reductions towards variable consideration components (discounts, rebate)	(3,027,909)	(2,459,352)
Revenue recognised	**37,666,800**	**33,332,292**

13.3 The revenue from contracts as per geography is as under:

	For the Year ended December 31, 2024	For the Year ended December 31, 2023
North America *	37,666,800	33,332,292
Rest of the world	-	
Total revenue from operations	**37,666,800**	**33,332,292**

13.4 Changes in Contract Liabilities are as follows:

	As at December 31, 2024	As at December 31, 2023
Balance as at the beginning of the year	72,426	114,504
Revenue recognised during the year	(72,426)	(114,504)
Additions during the year	74,452	72,426
Balance as at the end of the year	**74,452**	**72,426**

13.5 Contract Assets are as follows:

During the year ended December 30, 2024 and December 31, 2023, CAD NIL and CAD 16424.93 of contract assets pertaining to fixed-price development contracts have been reclassified to receivables on completion of milestones.

13.6 Transaction price allocated to the remaining performance obligations

The remaining performance obligations represents contracted revenue that has not yet been recognized, which includes contract liabilities and amounts that will be invoiced and recognized as revenue in future periods.

	As at December 31, 2024	As at December 31, 2023
Within 1 year	428,890	291,135
More than 1 year	76,537	

The Company has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date. The above revenue is subject to change in transaction price.

Hexaware Technologies Canada Limited

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Notes forming part of Financial Statements for the Year ended December 31, 2024

Amount in CAD

14 Other Income	**For the Year ended**	
	December 31, 2024	**December 31, 2023**
Interest income	35,950	-
	35,950	**-**

15 Employee benefits expense	**For the Year ended**	
	December 31, 2024	**December 31, 2023**
Salary and allowances	23,192,078	19,952,806
Contribution to provident, other funds and benefits	2,449,157	2,197,481
Staff welfare expenses	53,711	18,041
Employee stock option compensation cost	44,431	-
Total	**25,739,377**	**22,168,328**

16 Other expenses	**For the Year ended**	
	December 31, 2024	**December 31, 2023**
Rent	47,400	43,963
Rates and taxes	25,967	33,512
Travelling and conveyance	628,303	585,512
Communication expenses	29,364	21,249
Repairs and maintenance	-	175
Printing and stationery	1,846	11,463
Legal and professional fees	61,048	23,749
Advertisement and business promotion	50,700	225,508
Bank and other charges	6,335	6,650
Insurance charges	29,795	25,124
Sub contracting and other service charges	8,677,553	8,600,432
Life Time Expected Credit Loss	21,783	(1,080)
Staff recruitment expenses	65,589	218,587
Miscellaneous expenses	14,476	3
Total	**9,660,158**	**9,794,847**

Amount in CAD

17 Earnings per share (EPS)

The components of basic and diluted EPS:	For the Year ended December 31, 2024	For the Year ended December 31, 2023
Net profit after tax	1,664,979	958,008
Weighted average outstanding equity shares considered for basic EPS	1	1
Basic and diluted earnings per share (USD)	1,664,979	958,008

The issued, subscribed and paid up capital of the Company consists of one share in common stock of no par value and the earnings per share is computed on the basis of such one share. Accordingly the entire profit after tax is the earnings per share.

18 Related party disclosures

18.1 Name of Related Parties and description of relationship:

	Country
Ultimate Holding Company and it's subsidiaries	
CA Magnum Holdings	Mauritius
Parent company of Hexaware Technologies Canada Ltd.	
Hexaware Technologies Limited	India
Fellow Subsidiaries	
Hexaware Technologies Inc	USA
Affiliate of Promoter	
Carlyle Investment Management,L.L.C	USA

Key Management Personnel

Mr. R. Srikrishna, Director and Chief Executive Officer of Holding Company
Mr. Michael Bergman, Director.
Mr. Vinod Chandran, Director.
Mr. Venkatachalam Eswaran

Amount in CAD

18 Related party disclosures (*Continued*)

18.2 Transactions during the year

Sr No	Particulars	Name Of Related Party And Nature of relationship	For the Year ended	
			December 31, 2024	December 31, 2023
1	Reimbursement of Cost to	**Fellow Subsidiary** Hexaware Technologies Inc	-	167
2	Employee advances reimbursed to	**Holding Company**	144,288	162,236
		Fellow Subsidiaries Hexaware Technologies Inc	132	-
3	Receiving of services	**Holding Company**	6,874,248	5,569,729
4	Accrual of Share based cost	**Holding Company**	44,431	-

18.3 Closing Balances

Particular	Nature of relationship	As at December 31, 2024	As at December 31, 2023
Trade Payable	**Holding Company**	587,604	2,856,574
	Fellow Subsidiaries		
	Hexaware Technologies Inc	322	-
	Hexaware Technologies Mexico S.DE RL. DE C.V	-	-
Others Payable	**Holding Company**	582,797	413,714

Amount in USD

19 Income taxes

19 (A) Income tax expense is allocated as follows :

	For the Year ended	
	December 31, 2024	**December 31, 2023**
Income tax expense as per the Statement of Profit and Loss	629,334	402,635
Income tax included in Other Comprehensive Income on :		
Net change in fair value of cash flow hedges	-	-
	629,334	402,635

19 (B) The reconciliation of estimated income tax expense at the Canada statutory income tax rate to the income tax expenses reported in statement of profit and loss is as follows:

	For the Year ended	
	December 31, 2024	**December 31, 2023**
Profit before income-tax	2,294,313	1,360,643
Expected tax rate (as per your jurisdication)	38%	38%
Computed tax	871,839	517,045
income tax expense:		
Impact of tax abatement and general adjustment	(556,997)	(319,086)
Provincial Taxes	278,605	159,567
Tax pertaining to prior years	(13,266)	21,435
Others	49,153	23,675
	629,334	402,636
Effective Tax Rate	**27.4%**	**29.6%**

Amount in CAD

20 Financial Instruments

(i) The carrying value / fair value of financial instruments (other than investment in associate/subsidiary) by categories as at December 31, 2024 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	5,422,221	-	-	-	5,422,221
Unbilled receivables	3,097,283	-	-	-	3,097,283
Other financial assets	3,950	-	-	-	3,950
Total	**8,523,454**	**-**	**-**	**-**	**8,523,454**
Trade payables	1,783,689	-	-	-	1,783,689
Other financial liabilities	1,615,679	-	-	-	1,615,679
Total	**3,399,368**	**-**	**-**	**-**	**3,399,368**

(ii) The carrying value / fair value of financial instruments (other than investment in associate/subsidiary) by categories as at December 31, 2023 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	4,617,157	-	-	-	4,617,157
Unbilled receivables	2,621,719	-	-	-	2,621,719
Other financial assets	3,950	-	-	-	3,950
Total	**7,242,826**	**-**	**-**	**-**	**7,242,826**
Trade payables	3,684,557	-	-	-	3,684,557
Other financial liabilities	1,412,743	-	-	-	1,412,743
Total	**5,097,300**	**-**	**-**	**-**	**5,097,300**

Notes

Carrying amount of cash and cash equivalents, other bank balances, trade receivables, unbilled revenue, loans, other financial assets, borrowings, deferred consideration, trade payables, lease liabilities and other financial liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant in each of the period presented.

Amount in CAD

20 Financial instruments

20.2 Category of financial instruments
All Financial instruments are measured at amortised cost. Amortised cost- Carrying amount of cash and cash equivalents, trade receivables, trade and other payables, other financial assets and liabilities approximate the fair value because of their short term nature.

20.3 Fair value hierarchy

Fair Value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observed and the significance of the inputs to the fair value measurements in its entirely, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

20.4 Financial risk management
The company has identified the risks under verticals like Geographic and client concentration risk, credit risk, foreign currency fluctuation risk and liquidity risk. The Company has formulated policies, procedures and strategies for managing risks which is affirmed by our global CEO and CFO, after consultation with all business units, functions and department heads.

Geographic and client concentration risk

Approximately 99.16 % of the revenue of the year is generated from top 2 clients (99.13% as at December 31, 2023). Any loss or major downsizing by these clients may impact Company's profitability. Further, excessive exposure to particular clients will limit Company's negotiating capacity and expose us to higher credit risk.

Credit risk

Since most of our transactions are done on credit, we are exposed to credit risk on accounts receivable. Any delay, default or inability on the part of the client to pay on time will expose us to credit risk and can impact our profitability. Our maximum credit exposure is in respect of trade receivables of CAD 3,753,941 and CAD 4,601,529 as at December 31, 2024 and December 31, 2023, respectively. Refer Note No. 8 for the age wise analysis of trade receivables that are not due as well as past due.

1 Customers dues contribute 99.20 % of the total outstanding as at December 31, 2024 (94.95% as at December 31, 2023)

Foreign currency fluctuations risk
The company's transaction are predominately in CAD and incurs foreign currency risk on transactions that are dominated by currency other than CAD such as USD. The company does not hedge any currency exposure since the net foreign exchange exposure is insignificant.

Liquidity risk
Cash and cash equivalents includes current account balances with banks.

The Company needs continuous access to funds to meet short and long term strategic investment requirements. The Company's inability to meet such requirements in stipulated period may hamper growth plan and even ongoing operations. Further, the Company's inability to quickly convert assets into cash without incurring any appreciable loss will expose it to liquidity risks.

As at December 31, 2024, the Company had total cash / bank balance CAD 5,422,221 which constitutes approximately 44 % of total assets (38 % as at December 31, 2023). The Company does not have any debt.

Interest rate risk

The Company does not have any debt. The balances with banks and financial institution is in the form of fixed interest rate deposits. Hence, the Company is not exposed to significant interest rate risk.

Capital management
The Company's objectives when managing capital is to maintain optimal capital structure to continue to provide for adequate capital in the business, returns for shareholders and benefits for other stakeholders in the form of dividends, return of capital or issue of new shares.

21 Employee Benefits

The Company has recognised CAD 905,744.54 (Previous Year CAD 786,968.14) for pension fund contribution in Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

22 There is no contingent liabilities and commitments as on 31st December 2024 and 31st December 2023

23 Material events after Balance Sheet date
There is no significant event after reporting date which requires adjustments or disclosure to the financial statements.

24 Approval of financial statements -
The financial statements were approved for issue by the Board of Directors on February 27, 2025.

The accompanying notes 1 to 24 form an integral part of the financial statements.
As per our report of even date attached

For B S R & Co. LLP
Firm's registration number : 101248W/W-100022
Chartered Accountants

Jaclyn Desouza
Partner
Membership number: 124629
Place : Rovaniemi
Date: March 06, 2025

For and on behalf of the Board of Directors of
Hexaware Technologies Canada Limited

R. Srikrishna
CEO & Executive Director
DIN 03160121
Place : Mumbai
Date: March 05, 2025

K.S. BHATIA & ASSOCIATES
CHARTERED ACCOUNTANTS
15th FLOOR, 1504 D WING, RUSTOMJEE SEASONS MIG CHS LTD.
IV GANDHI NAGAR NEAR MMRDA OFFICE, BANDRA – EAST,
MUMBAI – 400051 M: 9322225270; EMAIL ID: ksbandco@yahoo.co.in

Independent Auditor's Report

TO THE MEMBERS OF Hexaware Technologies South Africa PTY Limited

Report on the Audit of Special Purpose Ind AS Financial Statements

We have audited the special purpose Ind AS financial statements of Hexaware Technologies South Africa PTY Limited ("The Company"), which comprise the Balance Sheet as at 31 December 2024, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the special purpose Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December 2024 and its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of Companies Act, 2013 ("the Act") and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Ind AS Financial Statements

The Company's management and board of directors are responsible for the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs.

This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

K.S. Bhatia & Associates
Mumbai
FRN : 156315W
M. No.: 046908
Chartered Accountants

K.S. BHATIA & ASSOCIATES
CHARTERED ACCOUNTANTS
15th FLOOR, 1504 D WING, RUSTOMJEE SEASONS MIG CHS LTD.
IV GANDHI NAGAR NEAR MMRDA OFFICE, BANDRA – EAST,
MUMBAI – 400051 M: 9322225270; EMAIL ID: ksbandco@yahoo.co.in

In preparing the Ind AS financial statements, management and board of directors are 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.

Board of directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 SAs 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS 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 entity'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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

K. S. Bhatia & Associates Mumbai FRN: 158315W M. No.: 046908 Chartered Accountants

K.S. BHATIA & ASSOCIATES
CHARTERED ACCOUNTANTS
15th FLOOR, 1504 D WING, RUSTOMJEE SEASONS MIG CHS LTD.
IV GANDHI NAGAR NEAR MMRDA OFFICE, BANDRA – EAST,
MUMBAI – 400051 M: 9322225270; EMAIL ID: ksbandco@yahoo.co.in

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For K. S. Bhatia & Associates
Chartered Accountants
(Firm's Registration No. 158315W)

K. S. Bhatia & Associates Mumbai FRN: 158315W M. No.: 046908 Chartered Accountants

Kaushik S. Bhatia
Proprietor
(Membership No. 046908)
UDIN: 25046908BMLXPB7826

Mumbai, March 4, 2025

HEXAWARE TECHNOLOGIES SOUTH AFRICA PTY LIMITED

Registered Office: 13th Floor, Pier Place, 31 Heerengracht Street, Cape Town, 8001, South Africa

(ZAR, unless otherwise stated)

Balance Sheet as at December 31, 2024

	Note No.	As at December 31, 2024	As at December 31, 2023
ASSETS			
Non-current assets			
Deferred tax assets (net)	4C	195,260	-
Income tax assets (net)		-	300,780
Total non-current assets		195,260	300,780
Current assets			
Financial assets:			
Trade receivables			
Billed	5	3,918,141	9,055,501
Unbilled		982,278	-
Cash and cash equivalents	6	15,125,708	5,700,713
Other current assets	7	134,746	1,000,882
Total current assets		20,160,873	15,757,096
TOTAL ASSETS		20,356,133	16,057,876
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8	1,000,000	1,000,000
Other equity		3,667,610	3,373,460
Total equity		4,667,610	4,373,460
Current liabilities			
Financial liabilities:			
Trade payables			
Dues of micro enterprises and small enterprises	9A	-	-
Dues of other than micro enterprises and small enterprises	9B	14,960,851	10,056,675
Other financial liabilities	10	-	301,001
Other current liabilities	11	-	417,897
Provisions	12	723,185	874,801
Income tax liabilities (net)		4,487	-
Deferred tax Liabilities (net)	4C	-	34,042
Total current liabilities		15,688,523	11,684,416
Total liabilities		15,688,523	11,684,416
TOTAL EQUITY AND LIABILITIES		20,356,133	16,057,876

The accompanying notes 1 to 22 form an integral part of the financial statements.

As per our report of even date attached

For K.S. Bhatia & Associates
Chartered Accountants
Firms' registration number :158315W

K. S. Bhatia & Associates Mumbai FRN : 158315W M. No.: 046908 Chartered Accountants

Kaushik Bhatia
Proprietor
Membership number: 046908
Place: Mumbai
Date: 04 MAR 2025

For and on behalf of the Board

Amrinder Singh

Amrinder Singh
Director
March 4, 2025

HEXAWARE TECHNOLOGIES SOUTH AFRICA PTY LIMITED

Registered Office: 13th Floor, Pier Place, 31 Heerengracht Street, Cape Town, 8001, South Africa

(ZAR, unless otherwise stated)

Statement of Profit And Loss for the year ended December 31, 2024

		For the year ended	
		December 31, 2024	**December 31, 2023**
INCOME			
Revenue from operations	13	34,312,463	59,626,486
Other income	14	(383,232)	(351,653)
TOTAL INCOME		**33,929,231**	**59,274,833**
EXPENSES			
Employee benefits expense	15	13,711,999	18,134,653
Other expenses	16	18,048,384	39,263,044
TOTAL EXPENSES		**31,760,383**	**57,397,697**
PROFIT BEFORE TAX		**2,168,848**	**1,877,136**
Tax expense			
Current tax		2,104,000	345,453
Deferred tax charge / (credit)	4C	(229,302)	161,374
Total tax expense		**1,874,698**	**506,827**
PROFIT FOR THE YEAR		**294,150**	**1,370,309**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**294,150**	**1,370,309**
Earnings per equity share:- Basic and diluted (ZAR)	17		
Basic and Diluted		2.94	13.70

The accompanying notes 1 to 22 form an integral part of the financial statements.

As per our report of even date attached

For K.S. Bhatia & Associates

Chartered Accountants

Firms' registration number :158315W

K. S. Bhatia & Associates Mumbai FRN : 158315W M. No.: 046908 Chartered Accountants

Kaushik Bhatia

Proprietor

Membership number: 046908

Place: Mumbai

Date: 04 MAR 2025

For and on behalf of the Board

Amrinder Singh

Amrinder Singh

Director

March 4, 2025

HEXAWARE TECHNOLOGIES SOUTH AFRICA PTY LIMITED

Registered Office: 13th Floor, Pier Place, 31 Heerengracht Street, Cape Town, 8001, South Africa

(ZAR, unless otherwise stated)

Statement of Changes in Equity for the year ended December 31, 2024

A. EQUITY SHARE CAPITAL

Balance as at January 01, 2024	Changes in equity share capital during the year	Balance as at December 31, 2024
1,000,000	-	1,000,000

Balance as at January 01, 2023	Changes in equity share capital during the year	Balance as at December 31, 2023
1,000,000	-	1,000,000

B. OTHER EQUITY

Particulars	Reserves and surplus	Total equity
	Retained earnings	
Balance as at January 01, 2024	3,373,460	3,373,460
Profit for the year	294,150	294,150
Balance as at December 31, 2024	**3,667,610**	**3,667,610**
Balance as at January 01, 2023	2,003,151	2,003,151
Profit for the year	1,370,309	1,370,309
Balance as at December 31, 2023	**3,373,460**	**3,373,460**

The accompanying notes 1 to 22 form an integral part of the financial statements.

As per our report of even date attached

For K.S. Bhatia & Associates
Chartered Accountants
Firms' registration number :158315W

K.S. Bhatia & Associates Chartered Accountants Mumbai FRN : 158315W M. No.: 046908

Kaushik Bhatia
Proprietor
Membership number: 046908
Place: Mumbai
Date: 04 MAR 2025

For and on behalf of the Board

Amrinder Singh

Amrinder Singh
Director
March 4, 2025

HEXAWARE TECHNOLOGIES SOUTH AFRICA PTY LIMITED

Registered Office: 13th Floor, Pier Place, 31 Heerengracht Street, Cape Town, 8001, South Africa

(ZAR, unless otherwise stated)

Statement of Cash Flows for the year ended December 31, 2024

	For the year ended December 31, 2024	For the year ended December 31, 2023
Cash flow from operating activities		
Profit before tax	2,168,848	1,877,136
Adjustments for:		
Interest income	(45,426)	(70,883)
Operating profit before working capital changes	2,123,422	1,806,253
Adjustments for:		
Trade receivables and other assets	5,021,218	3,073,932
Trade payables, other liabilities and provisions	4,033,662	(6,743,585)
Cash generated from/(used in) operations	11,178,302	(1,863,400)
Direct taxes paid (net)	(1,798,733)	(515,618)
Net cash generated/(used in) from operating activities	9,379,569	(2,379,018)
Cash flow from investing activities		
Interest received	45,426	70,883
Net cash generated from investing activities	45,426	70,883
Cash flow from financing activities		
Net cash used in from financing activities	-	-
Net increase in cash and cash equivalents	9,424,995	(2,308,135)
Cash and cash equivalents at the beginning of the year	5,700,713	8,008,848
Cash and cash equivalents at the end of the year (Refer to note 6)	15,125,708	5,700,713

The statement of cash flows has been prepared using the indirect method as set out in Ind AS 7.

The accompanying notes 1 to 22 form an integral part of the financial statements.

As per our report of even date attached

For K.S. Bhatia & Associates
Chartered Accountants
Firms' registration number :158315W

K.S. Bhatia & Associates
Mumbai
FRN : 158315W
M. No.: 046908
Chartered Accountants

Kaushik Bhatia
Proprietor
Membership number: 046908
Place: Mumbai
Date: 04 MAR 2025

For and on behalf of the Board

Amrinder Singh

Amrinder Singh
Director
March 4, 2025

(ZAR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

1 Company Overview

Hexaware Technologies South Africa Pty Limited , incorporated on November 25, 2019 under the laws of South Africa, and commenced operations on March 1, 2020, is a subsidiary of Hexaware Technologies UK Limited. These Financial Statement have been prepared & audited for purpose of consolidation with Hexaware Technologies Ltd.

The Company is engaged in information technology consulting, software development and business process services. Hexaware provides multiple service offerings to its clients across various industries comprising travel, transportation, hospitality, logistics, banking, financial services, insurance, healthcare, manufacturing, consumer and services. The various service offerings comprise application development and management, enterprise package solutions, infrastructure management, business intelligence and analytics, business process, digital assurance and independent testing.

2 Significant Accounting Policies

2.1 Statement of compliance

The financial statements comply in all material aspects with Indian Accounting standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act as amended from time to time.

2.2 Basis of Preparation

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair values as explained in the accounting policies below.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of twelve months.

Previous year figures have been re-grouped/re-classified wherever necessary to correspond with the current period classification/disclosures.

2.3 Critical accounting judgements and key source of estimation uncertainty

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of financial statements and the reported amounts of income and expenses for the periods presented.

The Company uses the following critical accounting estimates in preparation of its financial statements:

2.3.1 Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts expended to date, as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion, as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Cost to fulfill contract are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.3.2 Income-tax

The tax jurisdiction for the Company is South Africa . Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax on unrecognised tax benefits. Tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.3.3 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2 Significant Accounting Policies *(Continued)*

2.3.4 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.4 Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

In case of a contract on time and material basis, transaction-based or volume-based contracts, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognized using percentage of completion method. The Company uses the efforts expended to date as a proportion to the total efforts to be expended as a basis to measure the degree of completion. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

Revenues related to fixed-price maintenance, testing and business process services are recognized based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognized as the service is performed using the percentage of completion method.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Revenues in excess of billing are classified as Unbilled receivables while billing in excess of revenues are classified as Contract liabilities (Unearned revenues). Invoicing to the clients for fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled receivables for fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

The Company recognizes an onerous cost provision for the estimated losses in the statement of profit and loss, when the total estimated cost exceeds the revenue in an arrangement based on the current contract estimates.

2.5 Leases

The Company follows a single lessee accounting model and requires a lessee to recognized assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value as per Ind AS 116.

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.

2.6 Functional and presentation currency

Foreign currency

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rate prevailing on the date of the Balance Sheet. The resulting exchange difference on such restatement and settlement is recognized in the profit or loss, except exchange differences on transactions entered into in order to hedge certain foreign currency risk.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date of Balance Sheet. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. Items in the statement of profit or loss have been translated using average exchange rates. Translation adjustments have been reported as foreign currency translation reserve in Other comprehensive income.

2.7 Borrowing Cost

Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in the profit or loss.

2 Significant Accounting Policies *(Continued)*

2.8 Employee Benefits

a) Post-employment benefits and other long term benefit plan

Payments to defined contribution retirement schemes are recognised as an expense when the employees have rendered service entitling them to such benefits.

b) Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.9 Taxes on Income

Income tax expense comprises of current tax and deferred tax. Current and deferred tax are recognised in net income, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Advance taxes and provisions for current income taxes are presented in the Balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the entity intends to settle the asset and liability on a net basis.

Deferred taxes are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profits, except when the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profit at the time of the transaction.

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

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

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

2.10 Impairment

Financial assets (other than at fair value)

The Company assesses at each balance sheet date, whether a financial asset or a group of financial assets is impaired. Ind AS 109, "Financial Instruments" requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables. For all other financial assets except for investments, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. In case of Investments, the Company periodically reviews its carrying value of investments for indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

2.11 Provisions

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the Company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract is lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

2 Significant Accounting Policies *(Continued)*

2.12 Non derivative financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

A Financial assets and financial liabilities

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

(iii) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

(iv) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(v) Financial liabilities

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

2.13 Share capital

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

2.14 Earnings per share ('EPS')

Basic EPS is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended December 31,2024 MCA has notified Ind AS 117 – Insurance Contracts applicable to the Company w.e.f. January 1, 2025. The Company has reviewed the new standard and based on its evaluation has determined that it does not have any significant impact in its financial information.

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Notes forming part of Financial Statements for the year ended December 31, 2024

4 Income taxes

A Income tax expense is allocated as follows :

	For the year ended	
	December 31, 2024	**December 31, 2023**
Income tax expense as per the Statement of Profit and Loss	1,874,698	506,827
	1,874,698	506,827

B The reconciliation of estimated income tax expense at the statutory income tax rate to the income tax expenses reported in statement of profit and loss is as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Profit before tax	2,168,848	1,877,136
Expected tax expense at the enacted tax rate of 27% (Previous year 27%) in South Africa	585,589	506,827
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense :		
Tax charges/ (credit) pertaining to earlier periods	-	-
Others	1,289,109	-
	1,874,698	506,827

C Components and movement in deferred tax assets and liabilities is as follows :

Significant components of net deferred tax assets and liabilities:

Components of deferred taxes:	**January 01, 2024**	**Recognised in profit or loss**	**Recognised in OCI**	**December 31, 2024**
Deferred tax assets/liabilities				
Employee benefit obligations	236,196	(40,936)	-	195,260
Contracts assets	(270,238)	270,238	-	-
Net deferred tax asset	(34,042)	229,302	-	195,260

Significant components of net deferred tax assets and liabilities:

Components of deferred taxes:	**January 01, 2023**	**Recognised in profit or loss**	**Recognised in OCI**	**December 31, 2023**
Deferred tax assets/liabilities				
Employee benefit obligations	127,332	108,864	-	236,196
Contracts assets	-	(270,238)	-	(270,238)
Net deferred tax liability	127,332	(161,374)	-	(34,042)

5 Trade receivables

A **Trade receivables - Billed - Current (Unsecured)**	**As at December 31, 2024**	**As at December 31, 2023**
Trade receivable - Billed	3,918,141	9,055,501
Less: Life time expected credit loss	-	-
Considered good	**3,918,141**	**9,055,501**

B Trade receivables ageing

Ageing for trade receivables as at December 31, 2024 is as follows:

	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivable - Billed							
Undisputed trade receivables – considered good	-	3,900,655	17,486	-	-	-	3,918,141
	-	3,900,655	17,486	-	-	-	3,918,141
Less - Life time expected credit loss							-
							3,918,141
Trade Receivables - Unbilled							982,278
							4,900,419

Ageing for trade receivables as at December 31, 2023 is as follows:

	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivable - Billed							
Undisputed trade receivables – considered good	8,715,725	339,776	-	-	-	-	9,055,501
	8,715,725	339,776	-	-	-	-	9,055,501
Trade Receivables - Unbilled							-
							9,055,501

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6 Cash and bank balances

Cash and cash equivalents	As at December 31, 2024	As at December 31, 2023
In current accounts with banks	15,125,708	5,700,713
Total	**15,125,708**	**5,700,713**

7 Other assets

Other assets – Current	As at December 31, 2024	As at December 31, 2023
Contracts assets	-	1,000,882
Others	134,746	-
Total	**134,746**	**1,000,882**

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8 Equity

	As at December 31, 2024	As at December 31, 2023
8.1 Authorised capital		
500,000 equity shares of ZAR 10/- each	5,000,000	5,000,000

	As at December 31, 2024	As at December 31, 2023
8.2 Issued, subscribed and paid-up capital		
100,000 equity shares of ZAR 10/- each fully paid	1,000,000	1,000,000

	As at December 31, 2024	As at December 31, 2023
8.3 Reconciliation of number of shares		
Shares outstanding at the beginning of the year	100,000	100,000
Shares outstanding at the end of the year	**100,000**	**100,000**

8.4 Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of ZAR 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

8.5 Details of shares held by promoters and shareholders holding more than 5% shares		As at December 31, 2024	As at December 31, 2023
Name of the shareholder			
Hexaware Technologies UK Limited	No. of shares held	100,000	100,000
	% of holding	100%	100%

8.6 Disclosure of shareholding of promoters

	As at December 31, 2024		As at December 31, 2023	
	No. of shares	% of total shares	No. of shares	% of total shares
Hexaware Technologies UK Limited	100,000	100%	100,000	100%

(ZAR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

9 Trade payables

	As at December 31, 2024	As at December 31, 2023
A Dues of micro enterprises and small enterprises	-	-
Total	-	-
B Dues of other than micro enterprises and small enterprises		
Trade payables	14,725,525	5,800,445
Accrued expenses	235,326	4,256,230
Total	**14,960,851**	**10,056,675**

C Trade payable ageing

Ageing for trade payables outstanding as at December 31, 2024 is as follows:

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables						
Others	177,939	14,547,586	-	-	-	14,725,525
	177,939	14,547,586	-	-	-	14,725,525
Accrued Expenses						235,326
						14,960,851

Ageing for trade payables outstanding as at December 31, 2023 is as follows:

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables						
Others	4,860,043	940,402	-	-	-	5,800,445
	4,860,043	940,402	-	-	-	5,800,445
Accrued Expenses						4,256,230
						10,056,675

(ZAR, unless otherwise stated)

Notes forming part of Financial Statements for the year ended December 31, 2024

10 Other financial liabilities

	As at December 31, 2024	As at December 31, 2023
Other financial liabilities - Current		
Employee liabilities	-	301,001
Total	**-**	**301,001**

11 Other liabilities

	As at December 31, 2024	As at December 31, 2023
Other liabilities - Current		
Statutory liabilities	-	417,897
Total	**-**	**417,897**

12 Provisions

	As at December 31, 2024	As at December 31, 2023
Provisions - Current		
Employee benefit obligations in respect of compensated absences and others	723,185	874,801
Total	**723,185**	**874,801**

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Notes forming part of Financial Statements for the year ended December 31, 2024

13 Revenue

13.1 Revenue disaggregation by geography is as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Geography		
South Africa	12,167,114	39,891,358
European Union	119,376	4,116,265
Other	22,025,974	15,618,863
Total	**34,312,463**	**59,626,486**

13.2 Revenue disaggregation by contract type is as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Offshore	8,734,852	26,036,297
Onshore	22,797,119	19,107,586
Others	2,780,492	14,482,603
Total revenue from operations	**34,312,463**	**59,626,486**

13.3 Revenue disaggregation by nature of service is as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Revenue from contracts with customers	34,312,463	59,626,486
	34,312,463	**59,626,486**

13.4 Reconciliation of revenue recognised with the contracted price is as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Contracted price	34,312,463	59,626,486
Reductions towards variable consideration components (discounts, rebate)	-	-
Revenue recognised	**34,312,463**	**59,626,486**

13.5 Contract Assets are as follows:

During the year ended December 31,2024 and December 31, 2023, ZAR Nil and Nil of contract assets pertaining to fixed- price development contracts have been reclassified to receivables on completion of milestones.

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Notes forming part of Financial Statements for the year ended December 31, 2024

13.6 Transaction price allocated to the remaining performance obligations

The remaining performance obligations represents contracted revenue that has not yet been recognized, which includes contract liabilities and amounts that will be invoiced and recognized as revenue in future periods.

	As at	
	December 31, 2024	**December 31, 2023**
Within 1 year	-	-
More than 1 year	-	-

The Company has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date. The above revenue is subject to any changes in the transaction price.

14 Other income

	For the year ended	
	December 31, 2024	**December 31, 2023**
Interest income	45,426	70,883
Exchange rate difference (net)	(428,658)	(423,038)
Miscellaneous income	-	502
Total	**(383,232)**	**(351,653)**

15 Employee benefits expense

	For the year ended	
	December 31, 2024	**December 31, 2023**
Salary and allowances	12,030,369	16,023,935
Contributions to provident and other funds	1,679,555	2,110,718
Staff welfare expenses	2,075	-
Total	**13,711,999**	**18,134,653**

16 Other expenses

	For the year ended	
	December 31, 2024	**December 31, 2023**
Rates and taxes	81,828	21,347
Travelling and conveyance	2,956	-
Communication expenses	61,354	34,522
Legal and professional fees	365,411	296,238
Advertisement and business promotion	950	760
Bank and other charges	23,615	50,539
Subcontracting charges	1,854,459	21,705,720
Cost of Software Licenses	15,657,811	17,153,918
Total	**18,048,384**	**39,263,044**

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17 Earnings per share (EPS)

	For the year ended	
	December 31, 2024	**December 31, 2023**
The components of basic and diluted EPS:		
Net profit after tax	294,150	1,370,309
Weighted average outstanding equity shares considered for basic EPS	100,000	100,000
Basic and diluted earnings per share (In ZAR)	2.94	13.70

18 Related party disclosures

A. Names of related parties	**Country**
Ultimate Holding Company	
Hexaware Global Limited (Ertstwhile CA Campine Investments)	Mauritius
Subsidiaries of Ultimate Holding Company	
Hexaware Technologies Limited	India
Holding Company	
Hexaware Technologies UK Limited	UK
Fellow Subsidiary of Holding Company	
Mobiquity BV	Netherlands

B. Key Management Personnel (KMP)

Mr. Amrinder Singh

Mr. Augustine Kuthokathen (w.e.f. March 18,2024)

C. Details of transactions with party wise details

Sr no.	Particulars	Nature of Relationship	For the year ended	
			December 31, 2024 ZAR	December 31, 2023 ZAR
1	Software & Development Expenses	Subsidiary of Ultimate Holding Company	1,854,459	21,705,720
2	Software and Consultancy Income	Subsidiary of Ultimate Holding Company	22,025,974	2,070,763
		Fellow Subsidiary of Holding Company Mobiquity B.V.	-	13,082,222

D. Outstanding Balances

Sr no.	Particulars	Nature of Relationship	As at	
			December 31, 2024	December 31, 2023
1	Trade & Other Payable	Subsidiary of Ultimate Holding Company	-	6,702,175
2	Trade & Other Receivable	Subsidiary of Ultimate Holding Company	4,519,727	-
		Fellow Subsidiary of Holding Company		
		Mobiquity BV	-	1,368,945

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19 Financial Instruments

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability

(i) The carrying value / fair value of financial instruments (other than investment in subsidiaries and associates) by categories as at December 31, 2024 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	15,125,708	-	-	-	15,125,708
Trade receivables - Billed	3,918,141	-	-	-	3,918,141
Trade receivables - Unbilled	982,278	-	-	-	982,278
Total	**20,026,127**	**-**	**-**	**-**	**20,026,127**
Trade payables	14,960,851	-	-	-	14,960,851
Total	**14,960,851**	**-**	**-**	**-**	**14,960,851**

The carrying value / fair value of financial instruments (other than investment in subsidiaries and associates) by categories as at December 31, 2023 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value
Cash and cash equivalents	5,700,713	-	-	-	5,700,713
Trade receivables - Billed	9,055,501	-	-	-	9,055,501
Total	**14,756,214**	**-**	**-**	**-**	**14,756,214**
Trade payables	10,056,675	-	-	-	10,056,675
Other financial liabilities	301,001	-	-	-	301,001
Total	**10,357,676**	**-**	**-**	**-**	**10,357,676**

Note

Carrying amount of cash and cash equivalents, trade receivables, unbilled revenue, other financial assets, trade payables, and other financial liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant in each of the period presented.

19 Financial Instruments (continued)

(ii) Financial risk management

The Company has identified the risks under verticals like Geographic and client concentration risk, credit risk, foreign currency fluctuation risk and liquidity risk. The Company has formulated policies, procedures and strategies for managing risks which is affirmed by the global CEO and CFO, after consultation with all business units, functions and department heads.

(i) Client concentration risk

85% of the revenue of 2024 is generated from 4 clients (previous year 90%). Any loss or major downsizing by this client may impact Company's profitability. Further, excessive exposure to particular clients will limit Company's negotiating capacity and expose us to higher credit risk.

The Company is able to maintain a diversified high quality client roster that can be accessed through the depth of relationships with existing clients.

The Company's growth strategy involves a mix of new client addition and mining the accounts of existing clients. As the Company adds more clients and grow revenues from the existing clients, it reduces dependence on the large clients. Moreover, large clients allow quick scaling up of revenues and they come with higher margins due to lower associated cost and higher cost predictability.

(ii) Credit Risk

Since most of Companys transactions are done on credit, the Company is exposed to credit risk on accounts receivable. Any delay, default or inability on the part of the client to pay on time will expose the Company to credit risk and can impact profitability. Company's maximum credit exposure is in respect of trade receivables of ZAR 3,918,141 and ZAR 9,055,501 as at December 31, 2024 and December 31, 2023, respectively, unbilled receivables of ZAR 982,278 and Nil as at December 31, 2024 and December 31, 2023, respectively and contract assets of Nil and ZAR 1,000,882 as at December 31, 2024 and December 31, 2023, respectively.

The Company has adopted an effective receivable management system to control the Days' Sales Outstanding (DSO). Refer to note 5 for the age wise analysis of trade receivables that are not due as well as past due and allowance for the doubtful receivables.

Top 4 customer dues contribute 54 % of the total outstanding as at December 31, 2024 (100 % as at December 31, 2023).

Cash and cash equivalents include current account balances with banks.

(iii) Foreign Currency fluctuations Risk

Foreign exchange fluctuations are one of the key risks impacting our business. The company's transactions are predominantly in ZAR and incurs foreign currency risk on transactions that are denominated by currency other than ZAR such as USD. The company do not hedge any currency exposures.

The following table analyses foreign currency risk from financial instruments as at December 31, 2024 & 2023:

	Net financial assets (A)	Net financial liabilities (B)	Net assets/(liabilities) (A-B)
As at December 31, 2024			
USD	-	15,996,635	(15,996,635)

	Net financial assets (A)	Net financial liabilities (B)	Net assets/(liabilities) (A-B)
As at December 31, 2023			
USD	-	1,702,247	(1,702,247)

10% depreciation/appreciation of the respective foreign currencies vis-a-vis functional currency of the Company would result in the decrease/increase in Company's profit before tax approximately by ZAR 1,599,663 million and ZAR 170,225 for the year ended December 31, 2024 and December 31, 2023 respectively.

19 Financial Instruments (continued)

(iv) Liquidity risk

The Company needs continuous access to funds to meet short and long term strategic investments. The Company's inability to meet such requirements in stipulated period may hamper growth plan and even ongoing operations. Further, the Company's inability to quickly convert assets into cash without incurring any material loss will expose it to liquidity risks.

Over the years, the Company has increased its liquidity position by managing its DSO and maintaining high cash / bank balance and investments.

As at December 31, 2024 the Company had total cash/bank balance of ZAR 15,125,708 (previous year ZAR 5,700,713) which constitutes approximately 74 % (previous period : 36 %) of total assets. The Company does not have any debt and thus manages its liquidity requirements through funds generated from operations.

The tables below provide details of the contractual maturities of significant financial liabilities as at:

As at December 31, 2024	**Less than 1 year**	**1-2 years**	**3-5 years**	**Beyond 5 years**	**Total**
Trade and other payables	14,960,851	-	-	-	14,960,851
Total	**14,960,851**	**-**	**-**	**-**	**14,960,851**

As at December 31, 2023	**Less than 1 year**	**1-2 years**	**3-5 years**	**Beyond 5 years**	**Total**
Trade and other payables	10,056,675	-	-	-	10,056,675
Others (Refer to note 10)	301,001	-	-	-	301,001
Total	**10,357,676**	**-**	**-**	**-**	**10,357,676**

Interest rate risk

The Company does not have any debt. Accordingly, the Company is not exposed to significant interest rate risk.

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20 Employee benefits

The Company recognized ZAR 1,679,555 (previous year ZAR 2,110,718) for Social security and pension contributions in profit and loss account. The contributions payable to these plans by the company are at rates specified in the rules of the schemes.

21 Segment reporting

In accordance with Ind AS 108 ‘Operating Segment’, the Company has disclosed Segment information on consolidated basis for the year ended December 31, 2024.

22 Other updates

A Material events after Balance Sheet date

There is no significant event after reporting date which requires amendments or disclosure to the financial statements.

B Approval of the financial statements:

The financial statements were approved for issue by the Board of Directors on March 4, 2025

For and on behalf of the Board

Amrinder Singh

Amrinder Singh
Director

Date: March 4, 2025