Subsidiary Annual Report
Volume – I
2024-25

Artificial Intelligence (AI) is steadily becoming ubiquitous - a topic of every boardroom discussion, a major investment area for digital transformation, and an indispensable component of every technology stack.

AI *Delivered Right*

from hype to real value

Amidst this hype, one fundamental truth emerges:

Is AI really delivering the stated outcomes to the enterprises?

The problem is not as much about invention as it is about implementation - up to 74% of enterprises are struggling with this journey from AI exploration to successful implementation.

This is where we are leading the shift with our strategy:
AI *Delivered Right*

INDEX

VOLUME - I

1	Tech Mahindra (Americas) Inc.	1
2	The CJS Solutions Group, LLC	29
3	Tech Mahindra Consulting Group Inc.	48
4	Tech Mahindra LLC	56
5	Digital OnUs, Inc.	69
6	Saffronic Inc.	85
7	Tech Mahindra Network Services International Inc	97
8	Allyis, Inc.	124
9	Zen3 Infosolutions Private Limited	144
10	Tech Mahindra GmbH	190
11	TechM IT-Services GmbH	213
12	Tech Mahindra Luxembourg S.a r.l.	221
13	Tech Mahindra (Singapore) Pte Limited	228
14	Tech Mahindra (Beijing) IT Services Limited	260
15	Tech Mahindra(Shanghai) Co. Ltd	292
16	Tech Mahindra (Nanjing) Co. Ltd	314
17	Tech Mahindra De Mexico S.DE R.L.DE C.V	333
18	Tech Mahindra Spain S.L.	357
19	Tech Mahindra France	377
20	Tech Mahindra Enterprise Services Limited	391
21	Tech Mahindra Digital Pty Ltd	424
22	Tech Mahindra London Limited	429
23	Tech Mahindra CZ a.s	450
24	Tech Mahindra Technology Services LLC	468
25	Tech Mahindra Bahrain Ltd W.L.L	493
26	Tech Mahindra Fintech Holdings Limited	513
27	COM TEC CO IT LTD	529
28	Tech Mahindra South Africa (Pty) Limited	560
29	vCustomer Philippines Inc	581
30	Tech Mahindra Arabia Limited	624
31	Tech Mahindra Technologies Inc.	641

INDEX

VOLUME - II

32	Comviva Technologies Limited	657
33	Comviva Technologies FZ-LLC	831
34	Comviva Technologies B.V.	858
35	Comviva Technologies Colombia S.A.S	878
36	Comviva Technologies (Australia) Pty Ltd	898
37	Comviva Technologies Nigeria Limited	906
38	Comviva Technologies (Argentina) S.A	915
39	Comviva Technologies Myanmar Limited	939
40	Comviva Technologies Americas Inc.	946
41	Comviva Technologies Cote D'ivoire	957
42	YABX Technologies (Netherlands) B.V.	962
43	Yabx India Private Limited	970
44	Tech Mahindra Norway AS	1023
45	Tech Mahindra IT Services NL B.V.	1035
46	PT Tech Mahindra Indonesia	1062
47	Tech Mahindra (Thailand) Limited	1079
48	Tech Mahindra Communications Japan Co., Ltd	1090
49	Allyis India Private Limited	1094
50	CJS Solutions Group (India) Private Limited	1134
51	Begig Private Limited	1175
52	Tech Mahindra (Switzerland) SA	1224
53	Tech Mahindra Global Chess League AG	1231
54	Tech Mahindra Limited SPC	1236
55	Tech Mahindra Egypt Technologies	1251
56	Sofgen Holdings Limited	1265
57	Tech Mahindra Servicos De Informatica S.A	1289

INDEX

VOLUME - III

58	Tech Mahindra (Nigeria) Limited	1309
59	Tech Mahindra ICT Services (Malaysia) SDN. BHD	1343
60	Tech Mahindra Sweden AB	1374
61	Tech Mahindra Vietnam Company Limited	1384
62	Citisoft, Inc.	1406
63	Pininfarina S.p.A.	1420
64	Activus Connect LLC	1558
65	PF Holdings B.V.	1569
66	Target Group Limited	1587
67	Born Group Pte Limited	1625
68	Tenzing Limited	1647
69	Tenzing Australia Limited	1663
70	Satyam Venture Engineering Services Private Limited	1675
71	Perigord Asset Holdings Limited	1806
72	Perigord Data Solutions Limited	1823
73	Perigord Premedia Limited	1840
74	Perigord Premedia USA Inc	1857
75	August Faller Artwork Solutions Gmbh	1868
76	GEOMATIC.AI PTY LTD	1877
77	Tech Mahindra Foundation	1889
78	Mahindra Educational Institutions	1917

TECH MAHINDRA (AMERICAS) INC.

Board of Directors
Mr. Lakshmanan Chidambaram
Mr. Guruprasad R Iyengar
Dr. Mukti Khaire

Business Office
5850 Granite Parkway, Suite 1200, Plano,
TX 75024 USA

Bankers
HSBC Bank
JPMorgan Chase Bank
Citi Bank
DBS

Auditors
CKH CPA's and Advisors, LLC

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors present their Report together with the audited accounts of your Corporation for the year ended March 31, 2025.

Financial Results:

For the year ended March 31	2025 USD	2025 INR	2024 USD	2024 INR
Income	**1,159,246,538**	**98,246,144,096**	1,153,285,976	95,474,417,152
Profit/(Loss) before tax	**(15,578,668)**	**(1,320,292,113)**	59,227,581	4,903,136,683
Profit/(Loss)after tax	**(30,658,144)**	**(2,598,277,704)**	42,259,542	3,498,442,906

Review of operations:

During the fiscal year under review, the Corporation achieved an income of USD 1,159 Million (equivalent to INR 98 billion). The Corporation continues to invest in strengthening its business in the USA. The increase in business and the focus on right sizing the USA operations while preparing for the next level of growth has helped the Corporation to earn healthy level of operating profits in the last few years. The operations resulted in a net loss due to the impairment of certain investments in subsidiaries.

Mergers:

As part of rationalization of entities, the following corporate actions were taken during the year under review:

1. Born Group, Inc. was merged with Tech Mahindra (Americas) Inc. effective April 1, 2024.
2. Healthnxt Inc. was merged with Tech Mahindra (Americas) Inc. effective July 1, 2024.
3. Netops.AI Inc. was dissolved effective September 30, 2024.
4. Zen3 Infosolutions (America) Inc. was merged with Tech Mahindra (Americas) effective October 1, 2024.
5. Eventus Solutions Group, LLC was merged with Tech Mahindra (Americas) effective January 1, 2025.
6. Tech Mahindra Cerium Systems Inc. was merged with Tech Mahindra (Americas) effective February 20, 2025.

Changes in Director:

During the year under review, Mr. T N Manoharan, Mr. Harshul Asnani, Mr. Abhishek Shankar resigned as Director of the Corporation. The Board placed on record its appreciation for the assistance and guidance provided by Mr. T N Manoharan, Mr. Harshul Asnani, Mr. Abhishek Shankar during their tenure as Directors of the Corporation.

Dr. Mukti Khaire, an Independent Director of Tech Mahindra Ltd was appointed as Director effective August 1, 2024 in compliance with the applicable SEBI Regulations.

Mr. Lakshmanan Chidambaram, Mr. Guru Prasad R Iyengar, Dr. Mukti Khaire are the current Board of Directors.

Outlook for the current year:

The Corporation believes that the investments made over the last few years in cultivating long term relationships with existing & prospective customers will result in further increase in business.

Acknowledgements:

Your Directors gratefully acknowledge the contributions made by the employees towards the success of the Corporation. Your Directors also thank the customers, suppliers, bankers, State and Federal Government Authorities and the shareholder(s) for the co-operation and assistance received from them.

Lakshmanan Chidambaram
Director & President

Place: Texas
Date: April 20, 2025

INDEPENDENT AUDITOR'S REPORT

To: Board of Directors
Tech Mahindra (Americas), Inc. a New Jersey Corporation,
a wholly owned subsidiary of Tech Mahindra Limited, an India Company
Plano, Texas

Qualified Opinion

We have audited the accompanying financial statements of Tech Mahindra (Americas), Inc., incorporated in New Jersey ("the Corporation"), which comprise the standalone balance sheets as of March 31, 2025 and 2024, and the related standalone statements of operations and comprehensive income, cash flows and changes in stockholder's equity, for the years then ended, and the related notes to the financial statements.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report the financial statements referred to above present fairly, in all material respects, the financial position of Tech Mahindra (Americas), Inc. as of March 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("US GAAP"). 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 required to be independent of Tech Mahindra (Americas), Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In accordance with the Group's accounting policies, subsidiaries in which the Company holds a controlling interest are required to be consolidated. However, for the purposes of these standalone Indian GAAP financial statements prepared at the Parent Company level, the Balance Sheets and Statements of Operations and Other Comprehensive Income of the following subsidiaries have not been consolidated: Tech Mahindra Network Services International, Inc., Digital Onus Inc., Green Investments LLC (Allyis), Activus Connect LLC, Citisoft Inc., Tech Mahindra Consulting Group Inc. Saffronic Inc. and CJS Solutions Group, LLC.

The non-consolidation of these subsidiaries represents a departure from the Group's stated accounting policies. The potential impact of this departure on the Standalone Balance Sheet and the Standalone Statement of Profit and Loss and Other Comprehensive Income has not been quantified.

The Corporation did not present the parent company only financial statements according to the proportionate share of the subsidiaries' net assets as required in the rare instances in which parent company financials are presented without accompanying consolidated financial statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Tech Mahindra (Americas), Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- 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 Tech Mahindra (Americas), Inc.'s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Tech Mahindra (Americas), Inc.'s ability to continue as a going concern for a reasonable period of time.

Other matters

As discussed in various notes to the financial statements, the Corporation has had numerous transactions with the parent, Tech Mahindra Limited and affiliated companies. The departure from preparing the financial statements on the consolidation basis, implies that the financial statements includes all intercompany transactions and balances.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Standalone Supplemental Schedules of Revenue and Expenses on page 28 is presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

CKH CPA's and Advisors, LLC

Atlanta, Georgia

April 17, 2025

STANDALONE BALANCE SHEETS AS OF MARCH 31,

	Notes	2025	2024
(All amounts are in USD)			
Current assets			
Cash and cash equivalents	3	**17,013,539**	2,374,197
Accounts receivable, net	4	**28,630,887**	13,641,410
Employee advances		**1,409,770**	1,143,944
Notes receivable from affiliated companies	5 (a)	**24,400,402**	14,562,525
Due from affiliated companies	5 (b)	**7,451,345**	7,665,238
Prepaid expenses and other current assets		**30,695,250**	39,510,188
Equity securities	11	**5,688,353**	3,807,652
Due from parent company	22	**152,356,348**	123,430,692
		267,645,894	206,135,846
Non-current assets			
Deferred tax asset	6	**70,360,509**	49,865,412
Property and equipment, net	7	**16,032,788**	22,383,774
Intangible assets, net	8	**2,758,346**	4,082,351
Goodwill, net	9	**65,596**	65,596
Investment in subsidiaries	10	**569,687,104**	681,748,822
Equity securities	11	**-**	-
Security deposits		**512,221**	380,731
Operating lease right-of-use assets	18	**10,383,217**	6,154,543
		669,799,781	764,681,229
Total assets		**937,445,675**	970,817,075
Current liabilities			
Accounts payable		**38,046,568**	40,753,377
Short-term debt	13	**27,750,000**	126,098,571
Due to affiliated companies	14	**53,894,579**	1,491,830
Accrued expenses and other current financial liabilities	15	**89,922,026**	91,496,367
Deferred revenue		**760,519**	114,598
Operating lease liabilities - short-term	18	**5,075,406**	3,454,047
Due to parent company	22	**46,066,226**	46,432,265
Income tax payable		**21,730,726**	3,945,684
Deferred compensation		**7,982,681**	6,517,321
		291,228,731	320,304,060
Non current liabilities			
Deferred tax liability	6	**648,994**	683,715
Operating lease liabilities - long-term	18	**5,840,910**	3,006,098
Other non - current financial liabilities	15	**6,569,220**	5,846,950
		13,059,124	9,536,763
Total liabilities		**304,287,855**	329,840,823
Stockholder's equity			
Equity attributable to stockholder of the Corporation		**633,157,820**	640,976,252
Total liabilities and stockholder's equity		**937,445,675**	970,817,075
Commitments and contingencies (Note 19)			

The accompanying notes are an integral part of these financial statements.
See independent auditor's report and notes to financial statements

STANDALONE STATEMENTS OF OPERATIONS AND OTHER COMPREHENSIVE INCOME FOR THE YEARS ENDED MARCH 31, 2025 AND MARCH 31, 2024

	Notes / Schedules	2025	2024
(All amounts are in USD)			
Revenue	I	**1,159,246,538**	1,153,285,976
Operating expenses			
Personnel	II	**654,188,555**	600,832,594
Subcontracting expenses	III	**221,748,924**	284,588,185
Software, hardware and project specific expenses		**133,234,687**	131,961,595
General and administrative and other expenses	IV	**55,388,551**	40,458,149
Movement in doubtful provision		**1,572,704**	466,600
Amortization	8	**1,324,006**	1,324,006
Depreciation	7	**16,431,485**	18,196,910
Total operating expenses		**1,083,888,912**	1,077,828,039
Operating income		**75,357,626**	75,457,937
Non-operating income (expenses):			
Other income		**709,313**	381,452
Dividend income		**8,000,000**	6,500,000
Impairment of investment in subsidiaries		**(99,908,420)**	(41,320,772)
Loss on investment carried at fair value through profit and loss		**(375,393)**	(685,249)
Interest income		**1,190,657**	436,393
Interest expenses		**(2,636,732)**	(8,652,421)
Finance costs		**-**	(147,654)
Change in fair value of contingent consideration		**2,084,281**	27,257,895
(Loss) income before income tax expense		**(15,578,668)**	59,227,581
Income tax expense	6	**(15,079,476)**	(16,968,039)
Net (loss) income		**(30,658,144)**	42,259,542
Other comprehensive loss:			
Loss on hedge activity		**(2,143,991)**	(1,233,844)
Comprehensive (loss) income		**(32,802,135)**	41,025,698

All revenue and (loss) profit for the year is generated from continuing operations.

The accompanying notes are an integral part of these financial statements.
See independent auditor’s report and notes to financial statements

STANDALONE STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED MARCH 31, 2025 AND MARCH 31, 2024

(All amounts are in USD)	2025	2024
Cash flows from operating activities		
Net (loss) income	**(30,658,144)**	42,259,542
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Amortization	**1,324,005**	1,324,006
Depreciation	**16,431,485**	18,196,910
Deferred income tax expense	**(20,529,818)**	3,782,999
Provision for losses on accounts receivables	**(1,572,704)**	(466,600)
Impairment of investment in subsidiaries	**99,908,420**	41,320,772
Change in fair value of contingent consideration	**(2,084,281)**	(27,257,895)
Finance cost	**-**	147,654
Deferred contract costs - amortization of other asset	**15,398,181**	30,109,133
Lease expense	**5,260,174**	4,061,350
Deferred compensation	**1,465,360**	2,728,818
Movements in contingent consideration on investments in subsidiaries, associates and financial asset	**-**	(27,008,550)
Common control merger	**983,703**	-
(Increase) decrease in operating assets		
Accounts receivable, net	**(13,416,773)**	(647,088)
Employee advances	**(265,826)**	(775,011)
Due from parent company	**(28,925,656)**	(56,606,788)
Due from affiliated companies	**213,893**	2,335,856
Prepaid expenses and other current assets	**8,814,938**	(1,826,155)
Income tax receivable	**-**	-
Security deposits and other assets	**(131,490)**	40,642
Increase (decrease) in operating liabilities		
Accounts payable	**(2,706,809)**	239,240
Accrued expenses and other current liabilities, net of contingent consideration	**509,940**	(29,151,539)
Deferred revenue	**645,921**	(56,880)
Due to parent company	**(366,039)**	32,512,771
Due to affiliated companies	**52,402,749**	1,094,319
Operating lease payments	**(5,032,677)**	(4,223,936)
Other non – current financial liabilities, net of contingent consideration	**(4,882,546)**	26,623,041
Income tax payable	**17,785,042**	(2,245,791)
Net cash provided by operating activities	**110,571,048**	56,510,820
Cash flows from investing activities		
Capital expenditures	**(10,080,499)**	(15,854,692)
Notes receivable from affiliated companies	**(9,837,877)**	(11,562,525)
Investment in subsidiaries, associates and financial asset	**10,272,597**	(429,925)
Repayment of notes receivable from affiliated companies	**-**	3,000,000
Payments of contingent consideration on investments in subsidiaries	**(11,937,356)**	(41,067,499)
Net cash used in investing activities	**(21,583,135)**	(65,914,641)

(All amounts are in USD)	2025	2024
Cash flows from financing activities		
Net borrowings from short-term debt	**(98,348,571)**	6,532,286
Common stock issued	**6,434,316**	-
Additional paid-in capital	**17,565,684**	-
Net cash (used in) provided by financing activities	**(74,348,571)**	6,532,286
Increase (decrease) in cash and cash equivalents	14 639 342	(2 871 535)
Cash and cash equivalents at beginning of year	**2,374,197**	5,245,732
Cash and cash equivalents at end of year	**17,013,539**	2,374,197
Supplemental disclosure of cash flow information:		
Cash paid for interest	**(2,974,082)**	(8,794,793)
Cash paid for income taxes	**(14,516,306)**	(15,909,752)

The accompanying notes are an integral part of these financial statements.
See independent auditor’s report and notes to financial statements

STANDALONE STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY FOR THE YEARS ENDED MARCH 31, 2025 AND MARCH 31, 2024

(All amounts are in USD)	**Common stock**	**Additional paid in capital**	**Accumulated other comprehensive income / (loss)**	**Accumulated retained earnings**	**Total stockholder's equity**
Balance at March 31, 2023	**300,391,874**	**94,479,936**	**3,377,835**	**201,700,909**	**599,950,554**
Net income	-	-	-	42,259,542	42,259,542
Other comprehensive loss	-	-	(1,233,844)	-	(1,233,844)
Balance at March 31, 2024	**300,391,874**	**94,479,936**	**2,143,991**	**243,960,451**	**640,976,252**
Net loss	-	-	-	(30,658,144)	(30,658,144)
Other comprehensive loss	-	-	(2,143,991)	-	(2,143,991)
Common control merger	-	983,703	-	-	983,703
Additional capital raised	6,434,316	17,565,684	-	-	24,000,000
Balance at March 31, 2025	**306,826,190**	**113,029,323**	**-**	**213,302,307**	**633,157,820**

The accompanying notes are an integral part of these financial statements.
See independent auditor's report and notes to financial statements

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED MARCH 31, 2025 AND MARCH 31, 2024

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) NATURE OF OPERATIONS

Tech Mahindra (Americas) Inc. ("TMA" or "the Corporation"), is a wholly owned subsidiary of Tech Mahindra Limited ("TML"), which is incorporated in the Republic of India. TMA was incorporated in the State of New Jersey on November 29, 1993, and provides computer consulting and programming support services.

The Corporation acquired a 100% investment in Lightbridge Communications Corporation ("LCC"), a Delaware Corporation on February 6, 2015. Effective January 1, 2023, LCC was merged with its 100% Subsidiary Tech Mahindra Network Services International, Inc. ("TMNSI"), TMNSI being the surviving entity.

On May 4, 2017 the Corporation acquired The CJS Solutions Group, LLC and its subsidiaries ("CJS") through a merger with TM Merger Sub LLC, a Florida Limited Liability Company. CJS is a consulting firm that specializes in providing resources to plan, manage, build, optimize and generally assist in the implementation of electronic medical records system ("EMR") in hospitals and health care systems.

In October 2019 TMA's newly formed Canadian subsidiary, Tech Mahindra Canada, Inc. acquired 100% interest in Tech Mahindra Consulting Group Inc. ("TMCG"), previously known as Objectwise Consulting Group Inc. Subsequent to the acquisition Tech Mahindra Canada, Inc. amalgamated with TMCG as the surviving entity and subsequently the name of Objectwise Consulting Group Inc. was changed to Tech Mahindra Consulting Group Inc. TMCG specializes in enterprise project delivery by offering IT Staff Augmentation & Professional services and PEGA development services. Key service offerings include primarily staff augmentation and professional services.

On April 8, 2020 an amended purchase agreement was executed between the Corporation and the sellers of Zen3 Infosolutions America Inc. (incl. subsidiaries) ("Zen 3"). Zen3 is an AI-first, data-driven, cloud-native organization that works with several leading companies in the world to solve their unique technology challenges. Their customized solutions help clients lead their industry in innovation, increase operational efficiency, reduce costs, and outperform competition. On October 1, 2024, Zen3 merged with TMA with TMA being the surviving corporation. TMA received all of the property, rights, privileges, franchises, patents, trademarks, trade name, licenses and other assets of Zen3. Refer to Note 20 for merger accounting disclosure.

On April 27, 2021, TMA formed HealthNxt Inc., a Company incorporated in the State of Delaware. HealthNxt Inc. is a virtual healthcare company that provides a fully integrated inpatient experience at home. On July 1, 2024, HealthNxt Inc. merged with TMA with TMA being the surviving corporation. TMA received all of the property, rights, privileges, franchises, patents, trademarks, trade name, licenses and other assets of HealthNxt Inc. Refer to Note 20 for merger accounting disclosure.

The Corporation acquired DigitalOnUs, Inc. ("DoU"), a Company incorporated in Delaware, along with its subsidiaries in Canada and Mexico on May 7, 2021. DoU is a hyper-specialized services company enabling digital transformations for enterprise customers. With an area of focus on cloud-native development, Hybrid cloud infrastructure automation and site reliability engineering (SRE) automation for operation. The amount of earnout obligations remaining as at March 31, 2025 and 2024 was $586k and $4.8 million, respectively. As of March 31, 2025 this investment is wholly owned by TMA.

The Corporation acquired Eventus Solutions Group, LLC ("Eventus"), a Colorado Limited Liability Company on June 18, 2021. Eventus offers end-to-end customer engagement solutions, such as consulting, cloud-based tools and automation services, and managed services. The amount of earnout obligations remaining as at March 31, 2025 and 2024 was $ nil and $750,000, respectively. On January 1, 2025, Eventus merged with TMA with TMA being the surviving corporation. TMA received all of the property, rights, privileges, franchises, patents, trademarks, trade name, licenses and other assets of Eventus. Refer to Note 20 for merger accounting disclosure.

The Corporation acquired 13.8% of the equity shareholding in Austin GIS on August 26, 2021. Austin GIS is a IoT/5G (Internet of Things) services provider that specializes in providing a wholistic Infrastructure as a Service (IaaS) solution offering. The entity was incorporated in 2021. The carrying value of the investment was $ nil for the March 31, 2025 year end after management carried out an impairment test which resulted in the impairment of the carrying value in Austin GIS amounting to $1.25 million.

The Corporation acquired Activus Connect LLC, a Florida Limited Liability Company, and Activus Connect PR LLC ("Activus Group") on December 3, 2021. Activus Connect is a leading provider of work at home customer experience management solutions and is headquartered in Orlando, Florida. The amount of earnout obligations remaining as at March 31, 2025 and 2024 was $ nil and $6 million, respectively. As of March 31, 2025 this investment is wholly owned by TMA.

The Corporation acquired Green Investments LLC, a Washington Limited Liability Company, (incl. subsidiaries) ("Allyis") on December 31, 2021. Allyis offers technology consulting and managed services that helps organizations reduce costs, improve performance, and meet their unique objectives and is headquartered in Seattle. As of March 31, 2025 this investment is wholly owned by TMA.

The Corporation acquired 100% of the equity shareholding in Citisoft Inc. ("Citisoft"), a Company Incorporated in Delaware, on February 28, 2022. Prior to the TMA acquisition it was a 100% subsidiary of Citisoft Ltd, UK which was a 100% subsidiary of Tech Mahindra Limited. Citisoft provides computer related services in the consulting sector.

On August 16, 2022 Netops.AI Inc. was incorporated by the Corporation in the state of Delaware as a 100% subsidiary. As of September 16, 2024, Netops.AI Inc. was liquidated.

Saffronic Inc. ("Saffronic") became a wholly owned subsidiary of the Corporation following a capital contribution on September 9, 2022. The balance of the investment was reported at $380,925 at March 31, 2025 and 2024, respectively.

Born Group Inc ("Born") previously held ultimately by Tech Mahindra Limited, became a subsidiary of TMA through a capital contribution of shares of Born from the parent on September 16, 2022. Born develops and implements strategies for customers to grow profitably in a borderless, digitally-and-physically connected world. On November 1, 2023, Mad*Pow merged with Born Group, Inc. where Born was the surviving corporation in the Parent-Sub-Merger and has received all of the property, rights, privileges, franchises, patents, trademarks, trade name, licenses and other assets of Mad*Pow. The carrying value of the investment was $27.5 million for the March 31, 2024 year end after management carried out an impairment test which resulted in the reduction of the carrying value in Born amounting to $14.8 million. Further Born is merged into TMA effective April 1, 2024, with TMA being the surviving entity. Refer to Note 20 for merger accounting disclosure.

On July 1, 2023, the Corporation acquired certain assets and liabilities of Thirdware Solution Inc. ("Thirdware"), for a consideration of $104,089. Thirdware is engaged in the business of consulting, design, implementing and support of enterprise applications and robotic process automation and other related services and from the sale of license and subscription for software products.

On February 1, 2024, the Corporation acquired certain assets and liabilities of Tech Mahindra Cerium Systems Inc. ("Cerium"), for a consideration of $557,776. On February 20, 2025, Cerium merged with TMA with TMA being the surviving corporation. TMA received all of the property, rights, privileges, franchises, patents, trademarks, trade name, licenses and other assets of Cerium. Refer to Note 20 for merger accounting disclosure

(B) BASIS OF PRESENTATION

The standalone financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP") with the exception as stated below.

TMA has investments in subsidiaries which are listed in Note 10. Under U.S. ASC 810 "Consolidations" a parent company is required to consolidate all majority- owned subsidiaries and present consolidated financial statements. Consolidated financial statements are the general-purpose financial statements of a parent company that has one or more subsidiaries. In certain circumstances, parent company-only financial statements may be required in addition to consolidated financial statements. ASC 810-10-45-11 permits presentation of parent company financial statements as a supplement to the consolidated financial statements when such a presentation is the most effective means of presenting pertinent information. The parent company-only financial statements are being presented without accompanying consolidated financial statements which is not accordance with US GAAP. Accordingly, these financial statements are not the general- purpose financial statements of the reporting entity, TMA.

The Corporation did not present the parent company only financial statements according to the proportionate share of the subsidiaries' net assets as required in the rare instances in which parent company financials are presented without accompanying consolidated financial statements.

(C) USE OF ESTIMATES IN PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates and assumptions made by management include the determination of recognition of revenue, valuations of privately held equity securities, amortization of assets recognized, valuations of subsidiaries and contingency reserve. The Corporation bases its estimates on historical experience and on various other assumptions that are believed to be reasonable, the result of which forms the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ from those estimates.

(D) CASH AND CASH EQUIVALENTS

Cash represents current accounts and demand deposits held at financial institutions. The Corporation considers all highly liquid investments with a maturity, when purchased, of three months or less to be cash equivalents. Cash equivalents include short-term highly liquid investments of sufficient credit quality that are readily convertible to known amounts of cash and have original maturities of three months or less. Cash equivalents are carried at cost, plus accrued interest, which approximates fair value. Cash equivalents are held to meet short-term liquidity requirements, rather than for investment purposes. Cash and cash equivalents are held at major financial institutions and are subject to credit risk to the extent those balances exceed applicable Federal Deposit Insurance Corporation (FDIC) limitations.

(E) ACCOUNTS RECEIVABLE

Accounts receivable consist of amounts due from customers on revenue contracts contracted directly by TMA and is recorded on the balance sheet as “Accounts receivables, net”. As of March 31, 2025 and 2024 the allowance for doubtful accounts was $2,320,863 and $705,477, respectively. Accounts receivables for services rendered to the parent company under the service contract are recorded separately on balance sheet as “Due from parent company”. TML assumes the business and entrepreneurial risks relating to all customer transactions.

An allowance for credit losses account is provided for based on qualitative and quantitative factors including the Corporation’s historical collection experience, internally developed forecasts, current and expected economic condition, and specific allowances for known troubled accounts. The allowance for expected credit losses is determined based on the amount the Corporation expects to cover over the life of the receivable. During 2025 and 2024, there was no activity in the allowance for credit losses, accordingly, as of March 31, 2025 and 2024, the balance for allowance for credit losses was $ nil.

(F) EQUITY METHOD INVESTMENTS

The Corporation accounts for investments in which it has significant influence but not a controlling financial interest using the equity method of accounting. Equity method investments are classified as “Equity Method Investments” in the balance sheet. As of March 31, 2025 and 2024 the Corporation does not hold any equity method investments.

(G) EQUITY SECURITIES

The Corporation holds strategic investments in privately held equity securities in which the Corporation does not have a controlling interest or significant influence. Privately held equity securities without a readily determinable fair value are recorded at fair value as described. If, based on the terms of these privately held securities, the Corporation determines that the Corporation exercises significant influence on the entity to which these securities relate, the Corporation will apply the equity method of accounting for such investments.

Privately held equity securities are valued using significant unobservable inputs or data in an inactive market and the valuation requires the Corporation’s judgment due to the absence of market prices and inherent lack of liquidity. The carrying value is not adjusted for the Corporation’s privately held equity securities if there are no observable price changes in a same or similar security from the same issuer or if there are no identified events or changes in circumstances that may indicate impairment, as discussed below. In determining the estimated fair value of its strategic investments in privately held companies, the Corporation utilizes the most recent data available to the Corporation. Valuations of privately held companies are inherently complex due to the lack of readily available market data. In addition, the determination of whether an orderly transaction is for a same or similar investment requires significant management judgment including the nature of rights and obligations of the investments, the extent to which differences in those rights and obligations would affect the fair values of those investments, and the impact of any differences based on the stage of operational development of the investee.

The Corporation regularly assesses its privately held equity securities strategic investment portfolio for impairment. The Corporation’s impairment analysis encompasses an assessment of the severity and duration of the impairment and qualitative and quantitative analysis of other key factors including the investee’s financial metrics, the investee’s

products and technologies meeting or exceeding predefined milestones, market acceptance of the product or technology, other competitive products or technology in the market, general market conditions, management and governance structure of the investee, the investee's liquidity, debt ratios and the rate at which the investee is using its cash

(H) PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost and depreciated using the straight-line method over an estimated useful life of three to five years.

(I) DEFERRED CONTRACT COST

Deferred contract cost is amortized at cost and depreciated using the straight-line method over an estimated useful life of three to five years.

(J) REVENUE AND EXPENSES

The majority of the revenue of the company is with its parent entity - TML. A contract service provider agreement exists which relieves TMA of rights and responsibilities and it is compensated on a cost plus basis. In some instances TMA does contract third parties directly and passes it back to back to parent entity.

The Corporation determines the amount of third-party revenue to be recognized through application of the following steps:

- Identification of the contract, or contracts with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when or as the Corporation satisfies the performance obligations.

(K) UNBILLED REVENUE

Unbilled revenue includes revenue recognized in relation to efforts incurred on time and material contracts not billed as of the end of the reporting period and where services have been performed in accordance with the terms of respective contracts with customers.

(L) DEFERRED REVENUE

Deferred revenue ("unearned revenue") arises when there are billing in excess of revenue.

(M) INCOME TAXES

TMA accounts for income taxes using Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740, Income Taxes. Under FASB ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under ASC 740 the effect on the deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. TMA records valuation allowances against deferred tax assets as deemed necessary.

Per FASB ASC 740-10-20, the Corporation follows the recognition requirements for uncertain tax positions as required by generally accepted accounting principles in the United States of America. Income tax benefits are recognized for income tax positions taken on expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Corporation has analyzed tax positions taken for filing with the Internal Revenue Service (IRS) and all state jurisdictions where it operates.

In accordance with guidance in ASC 740-10-30-27, the Corporation uses a "separate return" method to allocate current and deferred taxes or benefits to members of the consolidated return group ("TMA and subsidiaries") by applying ASC 740 to each member as if they were separate tax payers. Under the "separate return" method, the subsidiary is assumed to file a separate return with the taxing authority, thereby reporting its taxable income or loss and paying the applicable tax to or receiving the appropriate refund from the parent. Management concluded that no provision for income tax is required in the Corporation's financial statements as a result of uncertain tax positions.

(N) RELATED PARTIES

Related parties are considered to be related if one party has the ability to control or jointly control the other party or exercise significant influence over the party in making financial and operational decisions. Key management personnel are also regarded as related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise).

(O) FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognized when the Corporation 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 of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Derivative financial instruments

The Corporation, when deemed appropriate, uses derivatives as a risk management tool to mitigate the potential impact of certain market risks. The primary market risks managed by the Corporation through the use of derivative instruments is interest rate risk. All derivatives are carried at fair value in our balance sheet in the following line items, derivative financial liabilities as applicable. The cash flow impact of the Corporation's derivative instruments is primarily included in the statement of cash flows in net cash provided by operating activities.

Derivative financial instruments are used by the Corporation principally in the management of its interest rate exposures. The Corporation does not hold or issue derivative financial instruments for trading purposes. For derivative instruments that are designated and qualify as cash flow hedges, the gain or loss on the effective portion of the derivative is reported as a component of other comprehensive income and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings.

Fair value is defined as 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.

In determining fair value, the Corporation uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. The valuation techniques used by the Corporation to determine fair value are consistent with the income approaches. The Corporation determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

- Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Corporation has the ability to access

- Level 2 – Valuations based on inputs, other than quoted prices included in Level 1, that are observable either directly or indirectly

- Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Fair value is a market-based measure, based on assumptions of prices and inputs considered from the perspective of a market participant that are current as of the measurement date, rather than an entity-specific measure. Therefore, even when observable inputs are not readily available, the Corporation's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date

Fair value is a market-based measure, based on assumptions of prices and inputs considered from the perspective of a market participant that are current as of the measurement date, rather than an entity-specific measure. Therefore, even when observable inputs are not readily available, the Corporation's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date.

The availability of valuation techniques and observable inputs can vary from investment to investment and are affected by a wide variety of factors, including the type of investment, whether the investment is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the transaction. To the extent that

valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the investments existed. Accordingly, the degree of judgment exercised by the Corporation in determining fair value is greatest for investments categorized in Level 3. In some cases, the inputs used to measure fair value might be categorized within different levels of the fair value hierarchy. In such cases, the fair value measurement is generally categorized in its entirety in the fair value hierarchy based on the lowest level input that is significant to the fair value measurement.

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable approximates fair value due to the short-term maturity of the instruments. The carrying amounts of the Company's floatable interest rate debt are considered reasonable estimates of fair value

(P) LEASES

The Corporation is a lessee in several non-cancellable operating leases, primarily for office space. The Corporation accounts for leases in accordance with ASC Topic 842, Leases. The Corporation determines if an arrangement is or contains a lease at contract inception. The Corporation recognizes a right-of-use (ROU) asset and a lease liability at the lease commencement date.

Operating leases are included in operating lease ROU assets, current operating lease liabilities, and long-term operating lease liabilities on the balance sheet. Operating lease ROU assets and liabilities are recognized at the commencement date of an arrangement based on the present value of lease payments over the lease term. The operating lease ROU asset also includes any lease payments made to the lessor prior to lease commencement, less any lease incentives, and initial direct costs incurred. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

The Corporation enters into long-term contracts to lease office space in support of company operations and these have all been determined to represent operating leases.

ROU assets for operating and finance leases are periodically reduced by impairment losses. The Corporation uses the long-lived assets impairment guidance in ASC Subtopic 360-10, Property, Plant, and Equipment – Overall, to determine whether a ROU asset is impaired, and if so, the amount of the impairment loss to recognize.

(Q) COMMITMENTS AND CONTINGENCIES

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred.

(R) RECLASSIFICATIONS

The Corporation has reclassified certain amounts relating to its prior period results to conform to its current period presentation. These changes were mainly made from the Cash Flow Statement which resulted in a reclassification of the contingent consideration between operating and investing activities and Supplemental Schedules of Revenue and Expenses which was reclassified between expense types. These changes have not impacted the results of operations of prior periods.

2 SIGNIFICANT RISKS AND UNCERTAINTIES INCLUDING BUSINESS AND CREDIT CONCENTRATIONS

The Corporation is subject to credit risk to the extent any financial institution or customer with which it conducts business is unable to fulfil contracted obligations on its behalf. Management monitors the financial condition of those financial institutions and counterparties.

The Corporation's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents, amounts due from the parent company and equity securities.

Total amount of revenue recorded for the year ended March 31, 2025 and 2024 was $1,159,246,538 and $1,153,285,976, respectively. Total amount due from the parent company as of March 31, 2025 and 2024 was $152,356,348 and $123,430,692, respectively. Total amount of revenue, which was directly contracted by TMA and remitted to the Parent company for the year ended March 31, 2025 and 2024 amounted to $88,952,841 and $52,038,650, respectively.

3 CASH AND CASH EQUIVALENTS

As of March 31, cash and cash equivalents consisted of the following:

	2025	2024
Current accounts with banks	**17,013,539**	2,374,197
	17,013,539	2,374,197

The Corporation places its cash on deposit with financial institution in the United States of America. Cash and cash equivalents are subject to credit risk to the extent those balances exceed applicable Federal Deposit Insurance Corporation limitations. The Federal Deposit Insurance Corporation covers $250,000 for substantially all depository accounts. As of March 31, 2025 and 2024, the Corporation had $15,711,103 and $2,181,220 respectively with financial institutions in excess of the federally insured limit. See Note 1(d). for accounting treatment.

4 ACCOUNTS RECEIVABLE, NET

TMA in certain cases may enter into contracts with customers based in the USA in its own name and will render the agreed onsite services to TML. Revenue contracted directly by TMA and subsequently transferred back to TML has been treated as agency transactions for the purpose of these financial statements and accordingly presented on net basis.

As of March 31, accounts receivable consisted of the following:

	2025	2024
Amounts due for services rendered and billed	**21,324,816**	6,647,541
Allowance for doubtful accounts	**(2,320,863)**	(705,477)
Amounts due for services rendered and billed, net	**19,003,953**	5,942,064
Amounts due for services rendered, not billed	**9,626,934**	7,699,346
Accounts receivable, net	**28,630,887**	13,641,410

(A) -TRADE RECEIVABLES: CREDIT RISK

The credit periods offered to customers vary according to the credit risk profiles of, and the invoicing conventions established in, the entity's markets. The contractual terms on invoices issued to customers vary and are payable upon receipt or immediate to within 120 days.

	Less than 30 days	Between 30 to 60 days	More than 60 days	Total
Accounts receivable gross as of March 31, 2025	15,199,493	468,842	5,656,481	21,324,816
Accounts receivable gross as of March 31, 2024	5,613,692	94 422	939,427	6,647,541

(B) - REVENUE CONTRACTED DIRECTLY BY TMA AND ACCOUNTS RECEIVABLES CONCENTRATION

The Corporation provides services to customers in diversified customer base and geographic regions and, therefore, has low concentration of credit risk. The Corporation continuously evaluates the credit worthiness of its customers and generally does not require collateral.

The following are customer concentration for revenue for the year ended March 31, 2025 and billed accounts receivable as at March 31, 2025.

Accounts receivable concentration as of March 31, 2025

		Amount	Concentration,%
Customer 1	$	5,990,331	28%
Customer 2	$	1,732,418	8%
Customer 3	$	1,695,747	8%

Concentration of revenue contracted directly by TMA for the year ended March 31, 2025

		Amount	Concentration,%
Customer 1	$	37,959,591	43%
Customer 2	$	4,366,315	5%
Customer 3	$	4,315,710	5%

The following are customer concentration for revenue for the year ended March 31, 2024 and billed accounts receivable as at March 31, 2024.

Accounts receivable concentration as of March 31, 2024

		Amount	Concentration,%
Customer 1	$	3,153,946	47%
Customer 2	$	553,600	8%
Customer 3	$	428,667	6%

Concentration of revenue contracted directly by TMA for the year ended March 31, 2024

		Amount	Concentration,%
Customer 1	$	36,382,593	48%
Customer 2	$	2,414,838	9%
Customer 3	$	2,174,942	7%

5 NOTES RECEIVABLE/ DUE FROM AFFILIATED COMPANIES

(a) - Notes Receivable from Affiliated Companies

Notes receivable from affiliated companies consist of the following as of March 31, 2025:

	Note amount	Interest received	2025	2024
Tech Mahindra Nigeria Limited	9,000,000	480,704	**9,480,704**	145,338
Tech Mahindra Network Services	8,000,000	13,256	**8,013,256**	-
Leadcom Integrated Solutions	3,000,000	15,186	**3,015,186**	5,052,682
Tech Mahindra Limited SPC	3,000,000	2,923	**3,002,923**	9,462,525
Tech Mahindra Thailand Limited	1,000,000	9,844	**1,009,844**	-
Tech Mahindra Servicos De Informatic	400,000	2,059	**402,059**	-
Perigord Premedia USA, Inc	402	-	**402**	-
Tech Mahindra Fintech Holdings	-	-	**-**	9,462,525
Notes receivable from Affiliated Companies			**24,400,402**	14,562,525

All notes receivable from affiliated companies are unsecured, with maturity less than one year and carry interest at market rates ranging between Libor + 1% and Libor +2%. Accrued interest income from notes receivable from affiliated companies is included in prepaid expenses and other current assets.

(b) - Due from affiliated companies

The balance due from affiliates includes a balance of $7,451,345 (2024: $7,665,238) which is net of provision.

6 INCOME TAXES

TMA accounts for income taxes under the provisions of the FASB ASC 740, Income Taxes , as described in Note 1(m) above.

Current income tax expense consists of the following:

	2025	2024
Federal	**25,377,201**	10,136,070
State	**6,926,435**	4,051,444
	32,303,636	**14,187,514**

Deferred income tax expense (benefit) consists of the	2025	2024
Federal	**(12,666,884)**	4,755,287
State	**(4,557,276)**	(1,974,762)
Total	**(17,224,160)**	2,780,525
Total current and deferred income tax expense	**15,079,476**	16,968,039

Deferred tax asset and liability consists of the following:

	2025	2024
Net operating losses	**9,416,607**	8,681,036
Property and equipment, net	**(1,399,756)**	(778,991)
Allowance for doubtful debts	**2,017,139**	1,597,754
Gratuity and leave encashment	**8,520,053**	5,907,709
Goodwill	**13,896,787**	15,037,976
Research and development	**37,260,685**	18,736,213
	69,711,515	49,181,697

	2025	2024
Deferred tax asset	**70,360,509**	49,865,412
Deferred tax liability	**(648,994)**	(683,715)
	69,711,515	49,181,697

The income tax expense for the ended can be reconciled to the accounting profit as follows:

	2025	2024
Applicable statutory income tax rate	**21%**	21%
(Loss) income before income tax expense	**(15,578,668)**	59,227,581
Expected income tax (benefit) expense	**(3,271,520)**	12,437,792
Actual income tax expense	**15,079,476**	16,968,039
Difference between actual and expected expense:	**18,350,996**	4,530,247
Impairment of investments	**20,980,768**	8,677,362
Earn-out reversal	**(437,699)**	(5,724,158)
Other permanent differences	**(239,863)**	71,219
Other comprehensive income hedge	**450,238**	259,107
Dividend income	**(1,680,000)**	(1,365,000)
Research and development tax credits	**(2,958,000)**	(2,897,000)
State taxes	**5,040,994**	4,974,222
Deferred only adjustments	**(2,805,442)**	534,495
	18,350,996	4,530,247

In the ordinary course of business there are many transactions with affiliated companies that affect the calculation and estimation of the Corporation's tax liability. Although management believes that the Corporation's tax estimates are reasonable, there is no assurance that the final determination of tax liability will not be different from what is reflected

in the Corporation's historical income tax provisions and accruals. As of March 31, 2025, the Corporation's tax years from 2018 to 2025 are open for examination by Federal and state tax authorities.

The Corporation was involved in a state tax audit linked to the state of California, at present this matter has been resolved and settlement was reached. TMA made a settlement payments amounting to $1,227,321 and $588,469 with respect to interest. TMA has subsequently reversed $1,885,975 of the original provision.

The Corporation had a refund receivable in the state of Texas (linked to the financial years ended 2014 to 2017) amounting to $926k which underwent intensive audit and the tax authorities has rejected the R&D credit claim completely for these years. This has resulted in the rejection of the refund request. Further, the tax authorities has also rejected the R&D credit claimed for the financial years ended 2019 and 2020 amounting to $454k

7 PROPERTY AND EQUIPMENT

Property and equipment, net, consisted of the following as of March 31,

	2025	2024
Plant and machinery	**21,419,018**	21,407,007
Computer and software	**115,877,540**	106,530,579
Furniture and equipment	**1,970,026**	1,926,000
Leasehold improvements	**2,947,298**	2,775,879
Office equipment	**1,638,786**	1,453,942
Accumulated depreciation	**(127,819,880)**	(111,709,633)
	16,032,788	22,383,774

Reconciliation of carrying value of property and equipment for the year ended March 31, was as follows:

	2025	2024
Carrying value at the beginning of the year	**22,383,774**	24,725,992
Additions	**10,080,499**	15,854,692
Depreciation	**(16,431,485)**	(18,196,910)
Carrying value at the end of the year	**16,032,788**	22,383,774

8 INTANGIBLE ASSETS ACQUIRED THROUGH BUSINESS COMBINATIONS

At March 31, intangible assets are summarized as follows:

	2025	2024
Customer lists	**23,424,422**	23,424,422
Accumulated amortization	**(20,666,076)**	(19,342,071)
	2,758,346	4,082,351

The total amortization expense recognized for the year ending March 31, 2025 and for the year ending March 31, 2024 was $1,324,006 and $1,324,006

9 GOODWILL

At March 31, goodwill is summarized as follows:

	2025	2024
Opening balance	**65 596**	65 596
Closing balance	**65 596**	65 596

10 INVESTMENTS IN SUBSIDIARIES

	2025 Shareholding	2024 Shareholding	2025	2024
Tech Mahindra Network Services International, Inc.	**100%**	100%	**175,022,030**	159,021,946
Digital Onus Inc.	**100%**	100%	**117,101,138**	117,101,138
Green Investments LLC, Allyis Inc.	**100%**	100%	**107,581,034**	107,581,034
CJS Solutions Group, LLC ("CJS")	**100%**	100%	**104,162,140**	104,162,140
Activus Connect LLC	**100%**	100%	**51,069,846**	51,069,846
Citisoft Inc.	**100%**	100%	**12,564,300**	12,564,300
Tech Mahindra Consulting Group Inc.	**100%**	100%	**1,805,691**	1,805,691
Saffronic Inc.	**100%**	100%	**380,925**	380,925
Zen3 Infosolutions (America) Inc.	**0%**	100%	**-**	51,339,287
Eventus Solutions Group, LLC	**0%**	100%	**-**	48,355,054
Born Group Inc.	**0%**	100%	**-**	27,538,128
HealthNxt Inc.	**0%**	100%	**-**	829,333
			569,687,104	681,748,822

Refer to footnote 1(a) for a description of the listed investments.

11 EQUITY SECURITIES

As of March 31, 2023, equity securities consisted of the following:

	2025	2024
VitalTech Holdings Inc.	**3,000,000**	-
Austin GIS	**1,250,000**	1,250,000
Provision for impairment	**(4,250,000)**	(1,250,000)
LCC Central America de Mexico, SA de CV*	**-**	-
	-	-

*On December 20, 2022 the Corporation acquired one share in LCC Central America de Mexico, SA de CV (“LCC Mexico”) as a result of the merger between Lightbridge Communication Corporation (“LCC”) with Tech Mahindra Network Services International Inc., (“TMNSI”).

As of March 31, 2025, current equity securities consisted of the following:

	2025	2024
Corporate owned investments	5,688,353	3,807,652
	5,688,353	3,807,652

Corporate owned investments represent funding of a nonqualified deferred compensation plan (NQCD).

12 OTHER ASSETS

As of March 31, other assets consisted of the following:

	2025	2024
Deferred contract cost, net	-	-
Total	**-**	-

Deferred contract cost comprises of technology license agreements and capitalized as other assets. The total amount of expensed deferred contract cost expensed for the ending March 31, 2025 and 2024 was $15,398,181 and $30,109,133 respectively. As of March 31, 2025 the deferred contract cost was fully amortized.

13 SHORT-TERM DEBT

Short-term debt consisted of the following at March 31:

	2025	2024
Unsecured revolving credit facilities	27,750,000	120,250,000
Overdraft with banks	-	5,848,571
	27,750,000	**126,098,571**

Short-term debt comprises of unsecured revolving credit facilities of $240,250,000 as of March 31, 2025 and 2024 respectively, attracting interest at variable rates and renewed within a period of 1 year. As of March 31, 2025 and 2024 the Corporation utilized $27,750,000 and $120,250,000 respectively, of the total available from credit facilities. Accrued interest payable on borrowing facilities as of March 31, 2025 and March 31, 2024 was included within accrued expenses and other current financial liabilities.

14. DUE TO AFFILIATED COMPANIES

Due to affiliated companies consisted of the following at March 31:

	2025	2024
Borrowings from subsidiaries	**53,687,685**	-
Other accrued expenses due to other affiliated companies	**206,894**	1,491,830
	53,894,579	1,491,830

The Corporation entered into a cash pooling arrangement during August 2024 with a number of its subsidiaries as a mechanism to obtain funding internally. The arrangement between TMA as the cash pool leader and the subsidiaries as participants is a Physical Cash Pool which stipulates that the balance from each entity's bank account will automatically be transferred into a central account at the end of each day. The balances transferred are treated as intercompany loans taking into consideration the interest expense as well as interest earned. This arrangement is facilitated by a third-party financial institution.

15. ACCRUED EXPENSES AND OTHER FINANCIAL LIABILITIES AND OTHER NON-CURRENT FINANCIAL LIABILITIES

Accrued expenses and other current financial liabilities consisted of the following at March 31:

	2025	2024
Accrued expenses	**7,732,126**	3,647,170
Financial liability under license agreements - current portion	**714,438**	-
Accrued expenses - subcontracted associates	**22,211,744**	25,517,750
Accrued payroll compensation	**22,673,888**	18,558,743
Other payroll related liabilities	**30,420,082**	26,065,370
Contingent consideration - current portion*	**586,891**	12,524,247
Accrued payroll related taxes	**2,038,319**	1,529,653
Accrued interest expenses on notes payable	**112**	21,810
Other current liabilities	3,544,426	3,631,624
Total	**89,922,026**	91,496,367

Other non-current financial liabilities consisted of the following at March 31:

	2025	2024
Other payroll related liabilities – long-term portion	**6,569,220**	5,846,950
Total	**6,569,220**	5,846,950

*The Corporation is party to purchase arrangements where an obligation arises to pay additional cash consideration to former owners if certain future events occur. Future events are satisfied if specific earn-out targets or employment linked arrangements are achieved

16 COMMON STOCK

Ordinary shares of $1 each	2025 Number of shares	2024 Number of shares
Issued and fully paid	**306,826,190**	300,391,874

The Corporation is authorized to issue 450,000,000 shares of common stock, par value $1 per share, of which 306,826,190 and 300,391,874 shares were issued and outstanding on March 31, 2025 and 2024 respectively. On March 19, 2025, the Corporation issued 6,434,316 equity shares to its sole shareholder, Tech Mahindra Limited at a issue price of $3.73, amounting to a total capital contribution of $24,000,000.

The sole shareholder, TML; being the sole owner of common stock is entitled to one vote per share, and to receive dividends and, upon liquidation or dissolution, is entitled to receive all assets available for distribution to stockholders. There are no preemptive or other subscription rights and there are no redemption or sinking fund provisions with respect to such shares.

17 EMPLOYEE BENEFITS

TMA's medical benefits are provided under a partially self-insured plan and a contract with an insurance company for major stop-loss coverage. Under the insurance contract, TMA is liable for all expenses under an aggregate annual maximum based on the number of persons covered. Management has included in accrued expenses claims payable and an estimate of incurred but not paid claims as of the year end.

Employees of TMA may be allotted/granted shares in TML in terms of several Employee Stock Option plans. The allotment of options to eligible employees is decided by the Compensation Committee which is comprised of certain directors of TML. However, it is the opinion of management that the options granted to the employees relate to the services rendered to the parent company and therefore need not be accounted for by TMA under FASB ASC 718, Compensation - Stock Compensation as these options relate to shares of TML.

The Corporation maintains a nonqualified deferred compensation plan established under Section 457(b) of the Internal Revenue Code for eligible staff.

18 LEASES

Information as of and for the year ended March 31, 2025:

The Corporation has several non-cancellable operating leases, primarily for office space that expire over the next five years. These leases generally contain renewal options for periods ranging from two to five years. Because the Corporation is not reasonably certain to exercise these renewal options, the options are not considered in determining the lease term and associated potential option payments are excluded from lease payments. The Corporation's leases generally do not include termination options for either party to the lease or restrictive financial or other covenants. Payments due under the lease contracts include mainly fixed payments.

Total lease cost for the year ended March 31, 2025 amounted to $5,260,174.

Amounts reported in the balance sheet as of March 31, 2025 were as follows:

	2025	2024
Right of use asset, net of depreciation		
Opening balance	**6,154,543**	9,580,416
Additions	**9,130,229**	445,672
Depreciation	**(4,901,555)**	(3,871,545)
Closing balance	**10,383,217**	6,154,543
Operating lease liabilities – short-term	**5,075,406**	3,454,047
Operating lease liabilities – long-term	**5,840,910**	3,006,098
Total operating lease liabilities	**10,916,316**	6,460,145

Maturities of operating lease liabilities under non-cancellable leases as of March 31, 2025 are as follows:

	Operating leases
In 1 year	5,075,391
In 2 to 5 years	7,226,594
Thereafter	-
Total undiscounted lease payments	**12,301,985**
Less: imputed interest	(1,385,669)
Total lease liabilities	**10,916,316**

19 COMMITMENTS AND CONTINGENCIES

The Corporation is involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Corporation's financial position, results of operations, or liquidity

20 MERGER WITH COMPANIES UNDER COMMON CONTROL

Born Group Inc.

On April 1, 2024, TMA completed a merger with its wholly owned subsidiary, Born Group Inc. ("Born"), in a transaction between entities under common control. The merger was effected to streamline the group structure and improve administrative efficiency. As a result of the transaction, all assets, liabilities, and operations of Born were assumed by TMA. In accordance with ASC 805-50, Business Combinations – Transactions Between Entities Under Common Control, the merger was accounted for using the carryover basis of accounting. The assets and liabilities of Born were recorded at their historical carrying amounts

The following table summarizes the carrying amounts of the major classes of assets and liabilities of Born as of the date of the merger:

Assets transferred	**Amount**
Cash	668,622
Net accounts receivable	12,088,453
Deferred tax asset	4,552,071
Fixed assets	102,497
Investment	100
Other financial assets	606,368
	18,018,111
Liabilities transferred	
Trade payables	(8,603,549)
Accrued expenses and provisions	(3,626,442)
Unearned revenue	(2,035,521)
Income tax liability	(2,239,115)
	(16,504,627)
Net assets transferred	**1,513,484**

In connection with the merger of Born into the Corporation on April 1, 2024, the investment in the subsidiary was eliminated. The difference between the carrying amount of the investment and the net assets acquired, amounting to $26,024,644, was recognized as an impairment adjustment.

HealthNxt Inc.

On July 1, 2024, TMA completed a merger with its wholly owned subsidiary, HealthNxt Inc. ("HealthNxt"), in a transaction between entities under common control. The merger was effected to streamline the group structure and improve administrative efficiency. As a result of the transaction, all assets, liabilities, and operations of HealthNxt were assumed by TMA. In accordance with ASC 805-50, Business Combinations – Transactions Between Entities Under Common Control, the merger was accounted for using the carryover basis of accounting. The assets and liabilities of HealthNxt were recorded at their historical carrying amounts.

The following table summarizes the carrying amounts of the major classes of assets and liabilities of HealthNxt as of the date of the merger:

Assets transferred	Amount (USD)
Cash	22,933
Net accounts receivable	178,408
Deferred tax asset	1,889,626
	2,090,967
Liabilities transferred	
Accounts payable	(4,162,569)
Income tax liability	(9,576)
Accrued expenses	(12,926)
	(4,185,071)
Net assets transferred	**(2,094,104)**

In connection with the merger of HealthNxt into the Corporation on July 1, 2024, the investment in the subsidiary was eliminated. The difference between the carrying amount of the investment and the net assets acquired, amounting to $2,923,437, was recognized as an impairment adjustment.

Zen3 Infosolutions (America) Inc.

On October 1, 2024, TMA completed a merger with its wholly owned subsidiary, Zen3 Infosolutions (America) Inc. (“Zen3”), in a transaction between entities under common control. The merger was effected to streamline the group structure and improve administrative efficiency. As a result of the transaction, all assets, liabilities, and operations of Zen3 were assumed by TMA. In accordance with ASC 805-50, Business Combinations – Transactions Between Entities Under Common Control, the merger was accounted for using the carryover basis of accounting. The assets and liabilities of Zen3 were recorded at their historical carrying amounts.

The following table summarizes the carrying amounts of the major classes of assets and liabilities of Zen3 as of the date of the merger:

Assets transferred	Amount (USD)
Cash	12,827,427
Net accounts receivable	1,640,019
Deferred tax asset	187,419
Income tax asset	1,414,581
Prepaid expenses	3,968
	16,073,414
Liabilities transferred	
Accounts payable	(97,269)
Accrued expenses	(463,665)
	(560,934)
Net assets transferred	**15,512,480**

In connection with the merger of Zen3 into the Corporation on October 1, 2024, the investment in the subsidiary was eliminated. The difference between the carrying amount of the investment and the net assets acquired, amounting to $35,826,807, was recognized as an impairment adjustment.

Eventus Solutions Group, LLC

On January 1, 2025, TMA completed a merger with its wholly owned subsidiary, Eventus Solutions Group LLC (“Eventus”), in a transaction between entities under common control. The merger was effected to streamline the group structure and improve administrative efficiency. As a result of the transaction, all assets, liabilities, and operations of Eventus were assumed by TMA. In accordance with ASC 805-50, Business Combinations – Transactions Between Entities Under Common Control, the merger was accounted for using the carryover basis of accounting. The assets and liabilities of Eventus were recorded at their historical carrying amounts.

The following table summarizes the carrying amounts of the major classes of assets and liabilities of Eventus as of the date of the merger:

Assets transferred	**Amount (USD)**
Cash	3,068,655
Net accounts receivable	15,645,259
Deferred tax asset	349,176
Fixed assets	119,171
Prepaid expenses and other current assets	553,534
	19,735,795
Liabilities transferred	
Accounts payable	(404,601)
Income tax liability	(2,284,496)
Deferred revenue	(123,980)
Accrued expenses	(3,701,195)
	(6,514,272)
Net assets transferred	**13,221,523**

In connection with the merger of Eventus into the Corporation on January 1, 2025, the investment in the subsidiary was eliminated. The difference between the carrying amount of the investment and the net assets acquired, amounting to $35,133,531, was recognized as an impairment adjustment.

Cerium

On February 20, 2025, TMA merged with Tech Mahindra Cerium Systems Inc., a wholly owned subsidiary under common control of TML. The transaction was accounted for as a transfer of net assets between entities under common control in accordance with ASC 805-50, Business Combinations – Transactions Between Entities Under Common Control. As both entities were ultimately controlled by TML before and after the transaction, the assets, liabilities, and results of operations of Cerium have been included in the financial statements of TMA at their historical carrying amounts. No goodwill or gain/loss was recognized in connection with the transaction.

The merger was accounted for as if it occurred at the beginning of the reporting period, and comparative periods have not been retrospectively adjusted. The following table summarizes the carrying amounts of the assets and liabilities transferred as of the effective date of the merger:

Assets transferred	**Amount (USD)**
Cash	754,653
Other current assets	229,050
	983,703
Net assets transferred	**983,703**

21 FINANCIAL INSTRUMENTS

Interest rate swap - designated as a hedge

Interest Rate Swaps. The Corporation uses interest rate swaps to manage its interest rate risk. The swaps are designated as cash flow hedges with the changes in fair value recorded in AOCI and as a derivative asset or liability, as applicable. The swaps settle periodically in arrears with the related amounts for the current settlement period payable to, or receivable from, the counter-parties included in accrued liabilities or receivables, respectively, and recognized in earnings as an adjustment to Interest Expense from the underlying debt to which the swap is designated. As of March 31, 2025 and 2024, the Corporation had a series of U.S. dollar denominated interest rate swaps outstanding with effectively fixing the interest on variable rate debt, exclusive of lender spreads, on a floating leg for a specified notional principal amount.

The Corporation's interest rate swap derivative financial instruments at March 31, 2025 are as follows:

	Average Contracted Fixed Interest Rate		Notional Principal Value		Fair Value assets (liabilities)	
	2025 %	**2024 %**	**2025**	**2024**	**2025**	**2024**
Cash Flow Hedges						
Outstanding receive floating pay fixed contracts						
Less than 1 year	**1%**	1%	**50,000,000**	50,000,000	**-**	-
1 to 2 years	**0%**	0%	-	-	**-**	2,143,991

	2025	**2024**
	Fair value	Fair value
Derivative Assets	**-**	2,143,991
Derivative Liabilities	**-**	-
	-	2,143,991

22 TRANSACTION WITH PARENT COMPANY

As stated in Note 1 and Note 2 above, TMA has entered into revenue sharing agreement with TML, its parent company. The transactions with TML are summarized below:

	Year ended March 31,	
	2025	**2024**
Beginning balance, due from parent	**76,998,427**	52,904,410
External contract revenue recharge	**(88,786,084)**	(52,038,650)
Income from parent company	**1,146,085,998**	1,145,419,183
Payments to parent company	**115,226,595**	32,105,762
Collections from parent company	**(1,129,392,085)**	(1,097,000,000)
Expense reimbursement - debit/credit notes	**(13,842,729)**	(4,392,278)
Ending balance, due from parent	**106,290,122**	76,998,427

	2025	**2024**
Due (to) from parent consists of:		
Amounts due to parent company	**(46,066,226)**	(46,432,265)
Amounts due from parent company	**152,356,348**	123,430,692
	106,290,122	76,998,427

23 FAIR VALUE HIERARCHY

The following tables summarize those assets and liabilities measured at fair value on a recurring basis:

The fair values of the Corporation's financial assets and liabilities by category as at March 31, 2025 were as follows:

	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Equity securities	5,688,353	-	**-**	5,688,353
Liabilities				
Derivative financial liabilities	-	-	**-**	-
Total	**5,688,353**	-	**-**	**5,688,353**

The fair values of the Corporation's financial assets and liabilities by category as at March 31, 2024 were as follows:

	Level 1	Level 2	Level 3	Total
Assets				
Equity securities	3,807,652	-	**-**	3,807,652
Liabilities				
Derivative financial liabilities	2,143,991	-	**-**	2,143,991
Total	**5,951,643**	-	**-**	**5,951,643**

Liabilities related to contingent consideration that are measured at fair value in connection with certain acquisitions have not been categorized in the fair value hierarchy but are included in Note 16.

24 SUBSEQUENT EVENTS

The Corporation has evaluated subsequent events through April 17, 2025, the date the financial statements were available to be issued. Except for the above, no significant events occurred subsequent to the balance sheet date but prior to April 17, 2025, that would have a material impact on the financial statements.

STANDALONE SUPPLEMENTAL SCHEDULES OF REVENUE AND EXPENSES FOR THE YEARS ENDED MARCH 31, 2025 AND MARCH 31, 2024

(All amounts are in USD)	2025	2024
Schedule I		
Revenue		
External contracted revenue	**88,952,841**	52,038,650
Transfers to parent and affiliated companies	**(88,952,841)**	(52,038,650)
	-	-
Revenue from parent	**1,159,246,538**	1,153,285,976
Total	**1,159,246,538**	1,153,285,976

	2025	2024
Schedule II		
Personnel expenses		
Payroll expenses	**536,571,474**	498,308,093
Payroll taxes	**42,485,601**	38,556,960
Other employee compensation	**42,111,181**	34,208,468
Employee benefits - health insurance	**33,020,299**	29,759,073
Total	**654,188,555**	600,832,594

	2025	2024
Schedule III		
Subcontracting expenses		
Subcontracting expenses - associates	**198,682,591**	254,181,313
Subcontracting expenses - project specific expenses	**21,336,258**	28,641,828
Subcontracting expenses - intercompany	**1,730,075**	1,765,044
Total	**221,748,924**	284,588,185

	2025	2024
Schedule IV		
General administrative and other expenses		
Travel	**11 621 443**	9 395 861
Visa fees	**8,935,570**	5,106,468
Office expenses	**6,793,239**	4,713,336
Professional fees	**5,745,706**	3,712,628
Lease expense	**5,260,174**	4,061,350
Communications	**4,712,603**	5,190,065
Legal expenses	**4,283,412**	2,522,175
Sales and marketing	**2,597,500**	2,141,721
Entertainment	**1,480,049**	1,320,651
Sales and other indirect taxes	**1,454,407**	1,354,048
Insurance	**1,173,474**	863,044
Miscellaneous	**607,267**	88,338
Quality certification charges	**368,076**	-
Short tenure office leases	**281,789**	260,753
Other hire charges	**73,842**	-
Amortization of prepaid employee costs related to business combinations	**-**	(272,289)
Total	**55,388,551**	40,458,149

THE CJS SOLUTIONS GROUP, LLC

Board of Managers
Mr. Mahesh Rajamani
Mr. Devender Gupta
Mr. Lakshmanan Chidambaram (Appointed w.e.f 15-May-2024)

Registered Office
8880 Freedom Crossing Trail,
Suite 200
Jacksonville Florida 32256

Bankers
BB&T
J.P. Morgan Chase

Auditors
CKH CPAs and Advisors, LLC
Atlanta, Georgia

BOARD MANAGERS' REPORT TO THE SHAREHOLDERS

Your Board Managers present their Report together with the audited accounts of your Company for the year ended March 31, 2025.

Financial results:

For the year ended March 31,	2025 USD	2024 USD
Income	**59,574,930**	75,503,782
Profit/(Loss) before tax	**3,500,104**	(112,889)
Profit/(Loss) after tax	**2,950,542**	(229,589)

Review of Operations:

During the year under review, the Corporation has recorded an income of US$ 59,574,930 and Profit /(loss) after tax was US$ 2,950,542.

Outlook for the current year:

Our goal is to create all around clean operations and stability in FY26 to become a nimble, agile & profitable unit. FY25 was year of stabilization & FY 26 will be the year of growth as we start to look at growing 5% Y-o-Y & introduce new services in the clinical and non-clinical space. We have new sales leadership team which has shown a lot of promises to drive growth in the current fiscal year and beyond. We closed more than 4 new health system logos last year and planning to further expand growth in those accounts this year.

Board Managers:

Mr. Mahesh Rajamani, Mr. Devender Gupta and Mr. Lakshmanan Chidambaram are the members of the Board of Managers.

During the year under review, Mr. Vivek Satish Agarwal has resigned as Board Manager w.e.f. 17th May 2024.

Acknowledgements:

Your Board Managers gratefully acknowledge the contributions made by the employees towards the success of the Corporation. Your Board Managers also thank the customers, suppliers, bankers, State and Federal Government Authorities and the shareholder/s for the co-operation and assistance received from them.

Mahesh Rajamani
Board Manager

Place: New Jersey
Date: May 1, 2025

INDEPENDENT AUDITOR'S REPORT

To: Management
CJS Solutions Group, LLC and its Subsidiaries
8880 Freedom Crossing Trails
Jacksonville, FL 32256

Qualified Opinion

We have audited the accompanying financial statements of CJS Solutions Group, LLC. and its Subsidiaries (collectively referred to as "the Company"), which comprise the consolidated balance sheets as of March 31, 2025 and March 31, 2024, and the related consolidated statements of operations and comprehensive income (loss), consolidated statements of changes in member's equity and consolidated statements of cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2025 and March 31, 2024, and the results of its operations and its cash flows for the periods then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("US GAAP"). 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 required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The group's accounting policies require the company to consolidate its subsidiaries with controlling interest. For the purposes of these US GAAP Financial Statements, the balance sheets and statements of profit and loss of its subsidiary, CJS Solutions Group (India) Private Limited previously known as DigitalOps Technology Private Limited has not been consolidated. The non-consolidation of the above-mentioned controlling interest subsidiary is not in accordance with the group's accounting policies. The effects of this departure from the group's accounting policies on the standalone balance sheets and standalone statements of operations and comprehensive income (loss), have not been determined.

The Company did not present the parent company only financial statements according to the proportionate share of the subsidiary's net assets as required in the rare instances in which parent company financials are presented without accompanying consolidated financial statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- 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. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

Other matters

As discussed in various notes to the financial statements, the Corporation has had numerous transactions with the ultimate parent, Tech Mahindra Limited and affiliated companies. The departure from preparing the financial statements on the consolidation basis, implies that the financial statements includes all intercompany transactions and balances.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidated supplemental schedules of revenues and expenses on page 47 is presented for purposes of additional analysis and are not a required part of the financial statements. The information has been subjected to the auditing procedures applied in the audit of financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

CKH CPA's and Advisors, LLC
Atlanta, Georgia
May 1, 2025

CONSOLIDATED BALANCE SHEETS

AT MARCH 31,

		2025	2024
Current assets			
Cash and cash equivalents		**$ 1,904,079**	$ 6,298,868
Accounts receivable, net	3	**7,474,188**	6,103,588
Due from related parties	4	**46,791,268**	37,021,730
Prepaid expenses and other current assets		**140,172**	305,775
		56,309,707	49,729,961
Non-current assets			
Property and equipment, net	5	**410,438**	776,448
Operating lease right-of-use assets		**999,383**	1,230,009
Deferred income tax asset	6	**11,710,279**	11,456,247
Intangible assets, net	7	**-**	-
Investment in subsidiary	8	**13,754**	13,754
Goodwill, net	9	**14,275,266**	19,967,386
		26,998,682	32,667,396
Total assets		**$ 83,718,827**	$ 83,173,805
Current liabilities			
Accounts payable		**$478,671**	$ 459,473
Accrued expenses and other current liabilities		**2,818,803**	5,197,421
Income taxes payable		**630,582**	608,806
Due to related parties	4	**6,703**	143,114
Operating lease liability current portion	12	**330,009**	49,580
		4,264,768	6,458,394
Non current liabilities			
Operating lease liability non-current portion	12	**1,149,064**	1,357,773
Total liabilities		**$ 5,413,832**	$ 7,816,167
Commitments and contingencies (Note 13)			
Member’s equity	10	**78,304,995**	75,357,638
Total Liabilities and member’s equity		**$ 83,718,827**	$ 83,173,805

The accompanying notes are an integral part of these financial statements.
See independent auditor’s report and notes to financial statements

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)

FOR YEARS ENDED MARCH 31,

	Schedules / Notes	2025	2024
REVENUES		**$ 59,574,930**	$ 75,503,782
COST OF REVENUES	I	**44,784,669**	60,821,766
GROSS PROFIT		**$ 14,790,261**	$ 14,682,016
OPERATING EXPENSES:			
Personnel		**4,079,295**	5,973,987
General and administrative	II	**2,055,509**	2,866,708
Amortization		**5,692,119**	6,184,479
Depreciation including right of use asset	Note 5	**607,490**	644,155
Total operating expenses		**12,434,413**	15,669,329
OPERATING PROFIT (LOSS)		**$ 2,355,848**	$ (987,313)
OTHER INCOME (EXPENSES)			
Other income		**35,321**	6,596
Interest income		**1,224,484**	1,056,189
Interest expense		**(71,721)**	(178,108)
Foreign currency loss		**(43,828)**	(10,253)
Total other income (expenses)		**1,144,256**	874,424
Income (loss) before income tax (expense) benefit		**$ 3,500,104**	$ (112,889)
Income tax expense	Note 6	**(549,562)**	(116,700)
NET INCOME (LOSS)		**$ 2,950,542**	$ (229,589)
Other comprehensive loss			
Loss on foreign currency translation		**(3,185)**	(43,997)
Comprehensive income (loss)		**$ 2,947,357**	$ (273,586)

All revenue and loss for the year is generated from continuing operations.

CONSOLIDATED STATEMENTS OF CHANGES IN MEMBER'S EQUITY

FOR YEARS ENDED MARCH 31,

	Member's Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Member's Capital
Balance at March 31, 2023	**$ 99,927,450**	**$ (277,949)**	**$(24,018,277)**	**$75,631,224**
Net loss for the year	-	-	(229,589)	(229,589)
Other comprehensive loss	-	(43,997)	-	(43,997)
Balance at March 31, 2024	**$ 99,927,450**	**$ (321,946)**	**$ (24,247,866)**	**$75,357,638**
Net income for the year	-	-	2,950,542	2,950,542
Other comprehensive loss	-	(3,185)	-	(3,185)
Balance at March 31, 2025	**$ 99,927,450**	**$ (325,131)**	**$ (21,297,324)**	**$78,304,995**

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR YEARS ENDED MARCH 31,

	2025	2024
Cash flows from operating activities		
Net income (loss)	**$ 2,950,542**	$ (229,589)
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Amortization	**5,692,119**	6,184,479
Movement in doubtful debts provision	**114,323**	(111,508)
Depreciation including right of use asset	**607,490**	644,155
Income tax expense	**981,653**	628,997
Deferred income tax benefit	**(432,091)**	(512,297)
Changes in operating assets and liabilities:		
Accounts receivable, net	**(1,484,923)**	1,950,958
Due from related parties	**(9,769,538)**	(5,066,947)
Due to related parties	**(136,411)**	(247,212)
Prepaid expenses and other current assets	**165,603**	155,383
Deferred income tax benefit	**178,059**	520
Accrued expenses and other current liabilities	**(2,378,618)**	(497,274)
Accounts payable	**19,198**	(153,335)
Income taxes payable	**(959,877)**	(316,387)
Operating lease payments	**71,720**	(407,497)
Net cash (used in) provided by operating activities	**(4,380,751)**	2,022,446
Cash flows from investing activities		
Capital expenditures	**(10,853)**	(107,922)
Acquisition of subsidiary	**-**	(13,754)
Net cash used in investing activities	**(10,853)**	(121,676)
Effect of exchange rate changes on cash	**(3,185)**	(43,997)
Net (decrease) increase in cash	**(4,394,789)**	1,856,773
Cash and cash equivalents at beginning of year	**6,298,868**	4,442,095
Cash and cash equivalents at March 31	**$ 1,904,079**	$ 6,298,868
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	**$ (914,037)**	$ (416,044)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED MARCH 31, 2025 AND MARCH 31, 2024

1. NATURE OF OPERATIONS

The CJS Solutions Group, LLC ("the Parent") and its Subsidiaries ("the Company") is a consulting firm that specializes in providing resources to plan, manage, build, optimize and generally assist in the implementation of electronic medical records systems ("EMR") in hospitals and health care systems.

The consolidated financial statements of the Company includes The CJS Solutions Group, LLC d/b/a The HCI Group and its wholly owned subsidiaries, Healthcare Clinical Informatics Ltd. (a UK company) and HCI Group Australia Pty Ltd. (a Australian company).

On September 6, 2023, the Parent acquired 100% of the equity shareholding in CJS Solutions Group (India) Private Limited ("CJS India"), previously known as Digitalops Technology Private Limited, from Tech Mahindra Limited, for a purchase consideration of INR 1,100,000 ($13,754) as defined in the purchase agreement. The acquisition is accounted for on the cost method. CJS India offers a range of services, such as cloud assistance, website services, project management and SaaS development, to help organizations of all sizes leverage technology in day-to-day operations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF CONSOLIDATION

The accompanying consolidated financial statements reflect the consolidated results of the Parent and its subsidiaries for the period ended March 31, 2025 and March 31, 2024. All significant intercompany accounts and transactions have been eliminated in consolidation.

B. BASIS OF ACCOUNTING

These consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

C. ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with U.S. GAAP requires the Company to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

D. REVENUE RECOGNITION

Revenue from consulting services contracts is recognized as the services are performed and amounts are earned. The Company considers amounts to be earned once evidence of an arrangement has been obtained, services are provided, fees are fixed or determinable, and collectability is reasonably assured.

Revenues from these services and reimbursed costs for out of pocket expenses are presented on the statement of operations and comprehensive loss, net of allowances or adjustments for agreed changes to reimbursed costs.

The Company determines the amount of third-party revenue to be recognized through application of the following steps:

- Identification of the contract, or contracts with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when or as the Company satisfies the performance obligations.

E. COST OF REVENUE

Direct costs for employee or contractor placements consists of salaries and contract payments (mainly from hours), payroll taxes, insurance costs as well as reimbursable costs such as travel, lodging or entertainment.

F. ADVERTISING AND MARKETING

The Company expenses all advertising costs as incurred. Advertising costs incurred for the year ended March 31, 2025 and 2024, was $569,397 and $487,108 respectively.

G. INCOME TAXES

In accordance with guidance in ASC 740-10-30-27, the Company uses a “separate return” method to allocate current and deferred taxes or benefits to members of the consolidated return group (“Tech Mahindra (Americas) Inc. and subsidiaries”) by applying ASC 740 to each member as if they were separate tax payers. Under the “separate return” method, the subsidiary is assumed to file a separate return with the taxing authority, thereby reporting its taxable income or loss and paying the applicable tax to or receiving the appropriate refund from the Parent.

The Company accounts for income taxes using Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740, Income Taxes. Under FASB ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under FASB ASC 740 the effect on the deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The Company records valuation allowances against deferred tax assets as deemed necessary.

Per FASB ASC 740-10-20, the Company follows the recognition requirements for uncertain tax positions as required by generally accepted accounting principles in the United States of America. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Company has analyzed tax positions taken for filing with the Internal Revenue Service (IRS) and all state jurisdictions where it operates.

For the foreign subsidiaries deferred tax assets are only recognized if it is probable that they will be used.

H. CASH

The Company considers all highly-liquid investments with maturities of three months or less to be cash or cash equivalents.

The Federal Deposit Insurance Corporation covers $250,000 for substantially all depository accounts held by a financial institution in the United States of America. As of March 31, 2025 and March 31, 2024, the Company had $0 and $4,697,587 respectively with financial institutions in excess of the federally insured limit.

The Financial Services Compensation Scheme covers small businesses in the United Kingdom that hold deposits at member banks up to £85,000. As of March 31, 2025 and March 31, 2024 such balances held in the United Kingdom exceeded the insured limits by $1,503,969 (£1,162,677) and $1,027,047 (£814,031) respectively.

I. ACCOUNTS RECEIVABLE AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

Accounts receivable consist of amounts due from customers on revenue contracts contracted directly by the Company and is recorded on the balance sheet as “Accounts receivables, net”. As of March 31, 2025 and 2024 the allowance for doubtful accounts was $1,079,311 and $964,988, respectively.

An allowance for credit losses account is provided for based on qualitative and quantitative factors including the Company’s historical collection experience, internally developed forecasts, current and expected economic condition, and specific allowances for known troubled accounts. The allowance for expected credit losses is determined based on the amount the Comoany expects to cover over the life of the receivable. During 2025 and 2024, there was no activity in the allowance for credit losses, accordingly, as of March 31, 2025 and 2024, the balance for allowance for credit losses was $ nil.

J. UNBILLED RECEIVABLES

Unbilled receivables represent accrued revenue earned and recognized on projects for which invoices have not yet been presented to the customer.

K. PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost less accumulated depreciation. Depreciation is provided by the straight-line method and is generally based on the following lives:

- Computers and technology peripherals – five years;
- Furniture and fixtures – seven years;
- Leasehold improvements – lesser of remaining life of lease or estimated useful life of equipment.

Expenditures for maintenance and repairs are charged to to the statement of operations and comprehensive income (loss) as incurred. Additions and betterments are capitalized. When assets are retired or otherwise disposed, the related cost and accumulated depreciation are removed from the appropriate accounts and any resulting gain or loss is reflected in operations.

The Company annually reviews the status of property and equipment held by the Company for any impairment of those assets. Any such impairment would result in a permanent reduction in the recorded value of the asset. No such impairments existed at March 31, 2025 and March 31, 2024.

L. FOREIGN EXCHANGE RATES

The Company translates the operations and balances of its foreign subsidiaries into U.S. Dollars. Assets and liabilities are translated into U.S. Dollars at year-end exchange rates. Income and expense items are translated at the average rates of exchange prevailing during the year. Translation adjustments are included in “Other Comprehensive Gain (Loss)” and “Accumulated Other Comprehensive Gain (Loss)”. Transactions in currencies other than the functional currency of the related subsidiary are converted at the foreign exchange rate on the date of the transaction. Gains and losses, which result from foreign currency transactions, are included in Other Expenses.

M. GOODWILL

Goodwill resulting from business combinations represents the excess of the fair value of the consideration transferred over the fair value of the net assets acquired and liabilities assumed as of the acquisition date. During 2015, the Company elected the private company accounting alternatives provided in Accounting Standards Update (ASU) 2014-02, Intangibles – Goodwill and Other (Topic 350). Pursuant to these elections, the Company prospectively amortized goodwill on a straight-line basis over a ten-year period. Impairment testing will be performed at the entity level whenever events occur, or circumstances changes, which indicates that the fair value of the Company may be below its carrying amount.

N. IDENTIFIABLE INTANGIBLES

Identifiable definite lived intangibles are stated at fair value as of date of acquisition and are amortized over their estimated useful lives. The Company amortizes customer relationships on a straight-line basis over a six-year period. Under the provisions of (Topic 350) Intangibles - Goodwill and Other, identifiable intangible assets with definite lives are tested for impairment if conditions exist that indicate the asset might be impaired. The impairment assessments made at March 31, 2025 and March 31, 2024 did not result in any impairment charges.

O. RELATED PARTIES

All companies within the Group are considered to be related parties. Related parties are considered to be related if one party has the ability to control or jointly control the other party or exercise significant influence over the party in making financial and operational decisions. Key management personnel are also regarded as related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise). In addition to cross charges for labor and contractor expenses, the Company conducted business, involving a lease agreement with a provider in which an employee of the Company holds an interest. Transactions involving related parties are carried out on an arm’s length basis.

P. LEASES

The company determines if an arrangement is a lease at inception of the arrangement. These leases are classified as either an operating lease or a finance lease. Based on the evaluation of leases for the period ended March 31, 2025, no leases meet the criteria for classification as a finance lease. Operating leases are capitalized on the consolidated balance sheet through a right-of-use (“ROU”) asset and a corresponding lease liability. ROU assets represent the company’s right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease.

Operating leases are included in operating lease ROU assets, current operating lease liabilities, and long-term operating lease liabilities in our consolidated balance sheets. Operating lease ROU assets and liabilities are

recognized at the commencement date of an arrangement based on the present value of lease payments over the lease term. The operating lease ROU asset also includes any lease payments made to the lessor prior to lease commencement, less any lease incentives, and initial direct costs incurred. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

The company enters into long-term contracts to lease office space in support of company operations and these have all been determined to represent operating leases.

Q. CAPITAL WORK IN PROGRESS

Capital work-in-progress are costs incurred in the construction of the new corporate office lease space. Capital work-in-progress is stated at cost and not depreciated. Depreciation on capital work-in-progress commences when the assets are ready for their intended use and have been transferred to and disclosed under the fixed assets.

3. ACCOUNTS RECEIVABLE, NET

At March 31, accounts receivable balances were as follows:	**2025**	**2024**
Amounts due for services rendered and billed	**$5,035,002**	$6,510,231
Less: allowance for doubtful accounts	**(1,079,311)**	(964,988)
Amounts due for services rendered and billed, net	**3,955,691**	5,545,243
Amounts due for services rendered, not billed	**3,518,497**	558,345
Total accounts receivable, net	**$7,474,188**	$6,103,588

Subsequent to year end, 55% of accounts receivable at March 31, 2025 had been collected.

4. TRANSACTIONS WITH RELATED PARTIES

During the year ended March 31, 2025 and March 31, 2024, the Company had transactions with the following related parties. At March 31, 2025 and March 31, 2024 the Company had payables due (to) from related parties as follows:

Tech Mahindra (Americas), Inc. (“TMA”)	**2025**	**2024**
Beginning balance, due (to) from	**$(2,029)**	$15,000
Income from services rendered	**92,939**	-
Reimbursement of expense	**2,195,102**	(590,947)
Payment made	**319,913**	658,229
Cash pooling arrangement*	**8,615,091**	-
Receipt from TMA	**(2,591,792)**	(84,311)
Ending balance, due from (to)	**$8,629,224**	$(2,029)
Due (to) from consists of:		
Amounts due to TMA	**(6,703)**	(2,029)
Amounts due from TMA	**8,635,927**	-
	$8,629,224	$(2,029)

*The Company entered into a cash pooling arrangement during August 2024 with its parent, TMA as a mechanism to obtain funding internally. The arrangement between TMA as the cash pool leader and the subsidiaries as participants is a Physical Cash Pool which stipulates that the balance from each entity’s bank account will automatically be transferred into a central account at the end of each day. The balances transferred are treated as intercompany loans taking into consideration the interest expense as well as interest earned. Interest is indexed at a rate of SOFR minus 1.70% and is paid monthly. This arrangement is facilitated by a third-party financial institution.

Tech Mahindra Limited ("TechM")	**2025**	**2024**
Beginning balance, due from (to)	**$15,810,591**	$11,680,287
Income from services rendered	**18,807,737**	25,843,573
Cost of services	**(16,171)**	(180,959)
Reimbursement of expense	**(152,781)**	1,417,662
Payment made	**408,359**	712,555
Receipts from	**(15,951,676)**	(23,662,527)
Ending balance, due from	**$18,906,059**	$15,810,591
Due (to) from consists of:		
Amounts due to TechM	**-**	(141,085)
Amounts due from TechM	**18,906,059**	15,951,676
	$18,906,059	$15,810,591

Comviva Technologies Ltd ("Comviva")	**2,025**	**2,024**
Beginning balance, due from	**$182,958**	$182,958
Ending balance, due from	**$182,958**	$182,958
Due from consists of:		
Amounts due from Comviva	**182,958**	182,958
	$182,958	$182,958

Lightbridge Communication Corporation ("LCC")	**2,025**	**2,024**
Beginning balance, due from	**$19,079,617**	$18,980,806
Income from services rendered	**1,131,545**	1,056,189
Receipts from	**(1,144,838)**	(957,378)
Ending balance, due from	**$19,066,324**	$19,079,617
Due from consists of:		
Amounts due from LCC	**19,066,324**	19,079,617
	$19,066,324	$19,079,617

HealthNxt Inc. ("HealthNxt")	**2025**	**2024**
Beginning balance, due from	**$1,807,479**	$705,406
Reimbursement of expense	**304,635**	1,019,153
Payment made	**-**	82,920
Receipts from	**(2,112,114)**	-
Ending balance, due from	**$-**	$1,807,479
Due from consists of:		
Amounts due from HealthNxt	**-**	1,807,479
	$-	$1,807,479
Total amounts due to related parties	**(6,703)**	(143,114)
Total amounts due from related parties	**46,791,268**	37,021,730
	$46,784,565	$36,878,616

5. PROPERTY AND EQUIPMENT

At March 31, property and equipment balances were as follows:	2025	2024
Computers and technology peripherals	**$2,709,750**	$ 2,698,897
Furniture and equipment	**171,118**	171,118
Leasehold improvements	**360,248**	360,248
Office equipment	**55,332**	55,332
Less: accumulated depreciation	**(2,886,010)**	(2,509,147)
	$ 410,438	$ 776,448

Reconciliation of carrying value of property and equipment for the years ended March 31, was as follows:

	2025	2024
Carrying value at the beginning of the year	**$ 776,448**	$ 977,405
Additions and transfers from capital work in progress	**10,853**	224,407
Depreciation	**(376,863)**	(425,364)
Carrying value at the end of the year	**$ 410,438**	$ 776,448

Total depreciation expense for the year ended March 31, 2025 and 2024 was $607,490 and $644,155 respectively. Included in this depreciation amount is the depreciation of the right-of-use asset relating to operating leases of $230,628 and $218,791 for the years ended March 31, 2025 and March 31, 2024 respectively. The depreciation policies followed by the Company are disclosed in Note 2K.

6. INCOME TAXES

The Company accounts for income taxes under the provisions of the FASB ASC 740, *Income Taxes* , as described in Note 2G above.

Current income tax expense consists of the following:	2025	2024
Foreign	**$ 752,475**	$ 569,718
Federal	**120,996**	-
State	**108,182**	59,279
	981,653	628,997
Deferred income tax benefit consists of the following:		
Foreign	**(385,922)**	4,586
Federal	**(46,169)**	(509,119)
State	**-**	(7,764)
	(432,091)	(512,297)
Total current and deferred income tax benefit	**$ 549,562**	**$ 116,700**

	2025	2024
Deferred tax asset consists of the following:		
Depreciation	**$ 8,320,175**	$ 8,362,623
Net operating losses	**2,933,986**	2,726,124
Gratuity and leave encashment	**228,066**	181,577
Allowance for doubtful debts	**228,052**	185,923
	$ 11,710,279	**$ 11,456,247**

The income tax benefit for the years ended can be reconciled to the accounting loss as follows:

	2025	2024
Applicable statutory income tax rate	**21%**	21%
Loss before income tax benefit	**3,500,104**	(112,889)
Expected income tax benefit	**735,022**	(23,707)
Actual income tax benefit	**549,562**	116,700
Difference between actual and expected benefit:	**(185,460)**	**140,407**
Other permanent differences	**4,586**	17,472
Foreign and state taxes	**(190,046)**	122,935
	$ (185,460)	$ 140,407

As of March 31, 2025, the Company had incurred net operating losses (NOLs) available to be carried forward of $9,139,757. A deferred tax asset is recognized consistent with the timing of the utilization of the net operating losses in the consolidated tax return of the tax group (Tech Mahindra (Americas) Inc. and subsidiaries). As is custom within the group, the deferred tax balances are settled through inter-company accounts on a periodical basis.

In the ordinary course of business there are many transactions with affiliated companies that affect the calculation and estimation of the Company's tax liability. Although management believes that the Company's tax estimates are reasonable, there is no assurance that the final determination of tax liability will not be different from what is reflected in the Company's historical income tax provisions and accruals.

The Company does not anticipate any amount to be recognized related to the Company's uncertain tax position.

7. INTANGIBLE ASSETS, NET

At March 31, intangible asset balances were as follows:	2025	2024
Customer contract and related relationships	**$ 32,600,000**	$ 32,600,000
Less: accumulated amortization	**(32,600,000)**	(32,600,000)
	$ -	$ -

Amortization expense for the year ended March 31, 2025 and March 31, 2024 was $0 and $511,201 respectively. The amortization policies followed by the Company are described in Note 2N.

8. INVESTMENT IN SUBSIDIARY

At March 31, investment in subsidiary balances were as follows:

	2025	2024
CJS Solutions Group (India) Private Limited	**$ 13,754**	$ 13,754
	$ 13,754	$ 13,754

Refer to Note 1 for a description of the investment in subsidiary.

9. GOODWILL, NET

The changes in the carrying amount of goodwill at March 31, are as follows:

	2025	2024
Goodwill	**$ 59,510,430**	$ 59,510,430
Less: accumulated amortization	**(45,235,164)**	(39,543,044)
	$ 14,275,266	$ 19,967,386

Amortization expense for the years ended March 31, 2025 and March 31, 2024 was $5,692,119 and $6,184,479 respectively. The Company reviewed its goodwill as of March 31, 2025 and determined that no impairment of goodwill has occurred. The amortization policies followed by the Company are described in Note 2M.

Amortization expense of goodwill subject to amortization for the four years succeeding March 31, 2025 is as follows:

Years ending March 31,	$
2025	-
2026	5,673,279
2027	5,673,279
2028	2,928,707
	14,275,266

10. MEMBER'S EQUITY

On May 4, 2017 Tech Mahindra (Americas) Inc. ("TMA") acquired The CJS Solutions Group, LLC and its Subsidiaries through a merger with TM Merger Sub LLC, a Florida Limited Liability Company. As of March 31, 2025 the Company is wholly owned by TMA.

11. EMPLOYEE BENEFITS

The Company has established a salary deferral plan under Section 401(k) of the Internal Revenue Code. The plan allows eligible employees to defer a portion of their compensation. Such deferrals accumulate on a tax deferred basis until the employee withdraws the funds. The Company, at its option, may match a portion of the employee's contribution. The Company has elected not to match a portion of employee's contribution at this time.

12. LEASES

On November 17, 2019 the Company's holding company, Tech Mahindra (Americas), Inc. ("TMA"), has entered into a sublease agreement with NortgateArinso, Inc. for business use and occupancy of office space by the Parent in Jacksonville, Florida. The lease commenced on January 31, 2020 and was effective until July 30, 2025. Effective April 30, 2023, the lease was terminated by the sublessee.

A new lease, for the same office space, was entered into on July 25th, 2023 by TMA as the lessee and Crocker Partners V Freedom, LLC as the lessor. The lease was entered into for business use and occupancy of the office space and commenced on August 1, 2023, effective until July 31, 2029. The lease calls for initial base rent of $22,546 per month for the period August 1, 2023 to July 31, 2025. Thereafter, rent escalations will be effective annually from August 1, 2025 to August 1, 2028 ranging from $29,660 to $32,401. Per the lease agreement, a rent credit/grace period was granted for the first 16 calendar months of the lease term (August 1, 2023 to November 30, 2025) in terms of which no portion of the initial monthly base rent of $22,546 is payable by the lessee for this period. Rent payments shall commence from December 31, 2024 at $22,546 per month. In addition to the rental payable the Company will also be responsible to pay Florida State Sales Tax to the landlord. The Company has accounted for this lease as at March 31, 2025, in terms of the policies set out in Note 2P of the accounting policies above.

Total lease cost for the year ended March 31, 2025 and March 31, 2024 was $0 and $112,862 respectively. Amounts reported in the balance sheet as of March 31, 2025 were as follows:

Right of use asset, net of depreciation	2025	2024
Cost	**1,383,761**	1,383,761
Accumulated depreciation	**(384,377)**	(153,752)
	999,383	1,230,009
Operating lease liabilities – short-term	**330,009**	49,580
Operating lease liabilities – long-term	**1,149,064**	1,357,773
Total operating lease liabilities	**1,479,073**	1,407,353

Maturities of operating lease liabilities under non-cancellable leases as of March 31, 2025 are as follows:

Years ending March 31,	$
2026	395,097
2027	363,008
2028	373,863
2029	385,045
2030	129,603
Total undiscounted lease payments	1,646,616
Less: imputed interest	(167,543)
Net present value of lease commitments	1,479,073

13. COMMITMENTS AND CONTINGENCIES

The Company is involved in various legal proceedings in the ordinary course of its business. Although management of the Company cannot predict the ultimate outcome of these proceedings, it believes that the ultimate resolution of the Company's proceedings, including any amounts it may be required to pay in excess of amounts reserved or covered by insurance, will not have a material effect on the Company's financial statements. The Company was named as a defendant in certain class action lawsuits and some pending lawsuits due to prior practices mainly related to overtime payments.

14. CONCENTRATION OF CREDIT RISK

REVENUE AND ACCOUNTS RECEIVABLE

The majority of the Company's sales are credit sales. The following are customer concentration for sales for the year ended March 31, 2025 and March 31, 2024 and billed accounts receivable as at March 31, 2025 and March 31, 2024.

Revenue concentration for the year ended March 31, 2025:	Amount, $	Concentration
Customer1	18,807,737	32%
Customer2	10,347,948	17%
Customer3	8,210,044	14%
Customer4	3,670,799	6%
Customer5	2,677,732	4%
Billed accounts receivable concentrations as at March 31, 2025:	**Amount, $**	**Concentration**
Customer1	10,169,090	71%
Customer2	726,683	5%
Customer3	608,178	4%
Customer4	475,278	3%
Customer5	314,907	2%
Revenue concentration for the year ended March 31, 2024:	**Amount, $**	**Concentration**
Customer1	25,843,573	34%
Customer2	11,144,075	15%
Customer3	8,520,204	11%
Customer4	5,911,541	8%
Customer5	4,951,062	7%
Billed accounts receivable concentrations as at March 31, 2024:	**Amount, $**	**Concentration**
Customer1	15,951,678	74%
Customer2	1,136,728	5%
Customer3	1,010,468	5%
Customer4	469,699	2%
Customer5	539,347	2%

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined under Accounting Standards Codification ("ASC") 820, "Fair Value Measurements and Disclosures" ("ASC 820"), as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a three-level hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability on the measurement date. The three levels are defined as follows:

Level 1–inputs to the valuation methodology are quoted prices (unadjusted) for an identical asset or liability in an active market.

Level 2–inputs to the valuation methodology include quoted prices for a similar asset or liability in an active market or model-derived valuations in which all significant inputs are observable for substantially the full term of the asset or liability.

Level 3–inputs to the valuation methodology are unobservable and significant to the fair value measurement of the asset or liability.

The carrying amounts of cash, accounts receivable and accounts payable approximate fair value due to the short- term maturity of the instruments. The carrying amounts of the Company's floatable interest rate debt are considered reasonable estimates of fair value.

16. SUBSEQUENT EVENTS

The Company has evaluated subsequent events through May 1, 2025. No significant events occurred subsequent to the balance sheet date that would have a material impact on the financial statements.

CONSOLIDATED SUPPLEMENTAL SCHEDULES OF REVENUES AND EXPENSES

FOR YEARS ENDED MARCH 31,

	$ 2025	$ 2024
Schedule I		
COST OF REVENUES		
Consultants compensation	**43,750,436**	59,275,074
Travel and other related expenses	**1,034,233**	1,546,692
	44,784,669	60,821,766
Schedule II		
GENERAL AND ADMINISTRATIVE		
Advertising and marketing	**569,397**	487,108
Professional fees	**538,448**	731,784
Office expenses	**255,689**	279,742
Travel	**159,982**	484,405
Licenses and other taxes	**145,187**	280,543
Communications	**138,423**	165,044
Bad and doubtful receivables	**114,561**	139,079
Insurance	**41,721**	80,605
Postage and delivery	**31,345**	57,575
Entertainment	**22,180**	83,202
Bank charges	**16,231**	3,000
Dues and subscriptions	**15,880**	15,639
Repairs and maintenance	**5,237**	41,189
Miscellaneous	**1,228**	8,115
Other rental expenses	**-**	9,678
	2,055,509	2,866,708

TECH MAHINDRA CONSULTING GROUP INC.

Management Certified Financial Statements for the year ended 31st March, 2025

Board of Directors
Mr. Lakshmanan Chidambaram
Mr. Guruprasad Iyengar

Registered Office
36 Toronto Street,
Suite 530 Toronto,
ON M5C 2C5 Canada

Bankers
RBC bank
J.P. Morgan Bank

BALANCE SHEET

Amount in CAD

Particulars		March 31, 2025	March 31, 2024
ASSETS:			
Current assets:			
Cash and cash equivalents		**7,449,456**	5,686,916
Accounts receivable, net	4	**1,044,544**	2,781,652
Unbilled Revenue		**318,519**	135,040
Due from parent company	3	**-**	-
Total current assets		**8,812,519**	8,603,608
Property and equipment, net	6	**-**	-
Other assets:			
Intangible assets, net	7	**139,850**	419,486
Goodwill, net		**352,673**	352,673
Advance Income Taxes (Net of provisions)		**964,097**	26,516
Total other assets		**1,456,620**	798,675
Total Assets		**10,269,141**	9,402,283
LIABILITIES AND MEMBER'S EQUITY:			
Current liabilities:			
Accounts payable	3	**745,978**	857,944
GST Payable		**61,017**	203,859
Current Tax Liabilities (Net)		**781,853**	1,399,319
Total current liabilities		**1,588,848**	2,461,122
Member's equity		**2,397,598**	2,397,598
Retained Earnings		**6,282,695**	4,543,563
Total Liabilities and Member's equity		**10,269,141**	9,402,283

Guru Prasad Iyengar
Director and CFO

Date May 8, 2025

STATEMENT OF OPERATIONS

Amount in CAD

Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
REVENUES		**8,734,733**	10,330,772
OTHER INCOME		**111,837**	1,607,743
GROSS INCOME		**8,846,570**	11,938,515
OPERATING EXPENSES:			
Personnel	9	**235,063**	239,811
General and administrative		**5,870,435**	8,653,101
Amortization		**279,636**	288,742
Other expenses	10	**95,273**	164,759
Total operating expenses		**6,480,407**	9,346,413
Operating profit		**2,366,163**	2,592,102
INCOME TAX EXPENSE		**627,033**	761,092
NET INCOME		**1,739,130**	1,831,010

Guru Prasad Iyengar
Director and CFO

Date May 8, 2025

STATEMENTS OF CHANGES IN MEMBER'S EQUITY

	Member's Equity	Retained Earnings	Total Member's Equity
Balance at March 31, 2023	2,397,598	4,543,563	6,941,161
Net income for the year	-	1,831,010	1,831,010
Balance at March 31, 2024	2,397,598	8,205,583	10,603,181
Net income for the year	-	1,739,130	1,739,130
Balance at March 31, 2025	**2,397,598**	**9,944,713**	**12,342,311**

STATEMENTS OF CASH FLOWS

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit Before Tax	**2,366,163**	2,592,102
Amortization	**279,636**	279,636
Depreciation	**-**	9,106
Allowances for Doubtful Receivables and Bad Debts written off (net)	**80,713**	58,121
Finance Costs	**-**	308
Interest Income	**(24,039)**	(1,573)
Rental Income	**-**	(95,241)
Changes in operating assets and liabilities:		
Accounts receivable, net	**1,472,916**	2,025,793
Accounts payable, net	**(111,966)**	(3,285,635)
GST Payable	**(142,842)**	209,432
Current Tax Liabilities (Net)	**(1,555,047)**	689,704
Net Cash (Utilized in) Provided by Operating Activities	**2,365,534**	2,481,753
CASH FLOWS FROM INVESTING ACTIVITIES:		
Changes in equity:		
Interest Receivable	**24,039**	1,573
Rental Income Receivable	**-**	95,241
Net Cash (Utilized in) Provided by Investing Activities	**24,039**	96,814
CASH FLOWS FROM FINANCING ACTIVITIES:		
Profit & Loss	**(2,458,045)**	(2,968,549)
General Reserves	**1,831,012**	2,207,458
Caiptal Reserve	**-**	-
Change in Equity and reserves	**-**	-
Finance cost paid	**-**	(308)
Net Cash (Utilized in) Provided by Financing Activities	**(627,033)**	(761,399)
Net increase in cash and cash equivalents	**1,762,540**	1,817,168
Cash and cash equivalents, beginning of period	**5,686,916**	3,869,748
Cash and cash equivalents, end of period	**7,449,456**	5,686,916
Supplemental disclosure:		
Cash paid for interest	**-**	-
Cash paid for income taxes		-

NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2025

1 NATURE OF OPERATIONS

Tech Mahindra Consulting Group Inc. (Formerly known as Objectwise 'OW'), based in Toronto, Canada specializes in enterprise project delivery by offering IT Staff Augmentation & Professional services and PEGA development services. **Key service offerings:** Primarily staff augmentation and professional services. Resource skills include Cards & Payment SME, Pega Technology, & Blueprism Robotics.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF ACCOUNTING

These financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in Canada (Canadian GAAP). Revenue is recognized based on accrual method of accounting

B. ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with Canadian Accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

C. CASH AND CASH EQUIVALENTS

The Company considers all highly-liquid investments with maturities of three months or less to be cash or cash equivalents.

D. ACCOUNTS RECEIVABLE AND ALLOWANCE FOR BAD DEBTS

Accounts receivable are the amounts owed on invoiced contractual agreements either in process or completed by the Company. Accounts receivable are considered delinquent when payment is not received under terms described within the individual contract's terms.

An allowance for doubtful accounts is provided for those balances considered to be uncollectible based upon historical experience and the Company's specific review of outstanding account balances. Company policy is that accounts overdue in excess of 365 days is an indicator that the receivable has potentially impaired. Bad debts are written off against the allowance when identified.

E. UNBILLED RECEIVABLES

Unbilled receivables represent accrued revenue earned and recognized on projects for which billings have not yet been presented to the customer.

3 TRANSACTIONS WITH RELATED PARTIES

RELATED PARTIES

The related parties of Company comprise the shareholders, their affiliated companies, Board of Directors and key management personnel. The Company enters into transactions with the related parties in the normal course of its business. These transactions normally include providing and receipt of services, expenses incurred by / on behalf of related parties and are entered into mutually agreed terms as approved by the Company's management, with the following entities

Related party	Relationship
Tech Mahindra Limited, India	Ultimate Holding Company
Tech Mahindra Americas Inc, America	Holding Company
Eventus Solutions Group LLC	Other related party
Tech Mahindra Mexico Cloud Services, S.DE R.L. DE C.V	Other related party

The following are details of significant related party transactions during the year:

Related Party	Nature	March 31, 2025	March 31, 2024
Tech Mahindra Limited, India	Subcon Cost	**2,700,013**	2,694,853
	Reimbursement of Expenses	**-**	(543,054)
Eventus Solutions Group LLC	Subcon Cost	**2,583,070**	5,446,017
Tech Mahindra Mexico Cloud Services, S.DE R.L. DE C.V	Subcon Cost	**84,353**	118,962
Tech Mahindra Americas Inc, America	Payroll Cost	**109,486.99**	-

The following is a summary of balances due from / due to related parties:

	March 31, 2025	March 31, 2024
Due to related parties:		
Tech Mahindra Limited, India	**1,300,247**	334,000
Tech Mahindra Americas Inc, America	**109,487**	-
Eventus Solutions Group LLC	**-**	377,018
Tech Mahindra Mexico Cloud Services, S.DE R.L. DE C.V	**-**	118,962
	1,409,734	829,980
Due from related parties:	**58,553**	543,054
Tech Mahindra Limited, India	**58,553**	543,054

Amounts due to and receivable from Related Parties are interest free and payable on demand.

4 ACCOUNTS RECEIVABLE, NET

At March 31, 2025 accounts receivable balances were as follows:

Particulars	March 31, 2025	March 31, 2024
Trade Receivables - Less than Six Months - Good	**792,758.00**	-
Trade Receivables - Over Six Months - Doubtful	**251,786**	52,707.00
Amounts due for services rendered and billed	**80,713**	2,781,652
Less: Allowance for expected credit loss	**(80,713)**	(52,707)
Amounts due for services rendered and billed, net	**1,044,544**	2,781,652
Total accounts receivable, net	**1,044,544**	2,781,652

5 LITIGATION AND CONTINGENCIES

The Company is not involved in any legal proceedings in the ordinary course of its business.

6 PROPERTY AND EQUIPMENT

Particulars	March 31, 2025	March 31, 2024
Computer and software	**-**	24,654
Furniture and Fixures	**-**	22,916
Accumulated Depreciation	**-**	(47,570)
	-	-

7 INTANGIBLE ASSETS ACQUIRED THROUGH BUSINESS ACQUISITIONS

Particulars	March 31, 2025	March 31, 2024
Customer Relationships	**1,677,856**	1,677,856
Accumulated Amortization	**(1,538,006)**	(1,258,370)
	139,850	419,486

8 SUBSEQUENT EVENTS

The Company has evaluated subsequent events through April 15, 2024. No significant events occurred subsequent to the balance sheet date that would have a material impact on the financial statements.

9 PERSONNEL EXPENSES

Particulars	March 31, 2025	March 31, 2024
Salaries and Wages, including bonus	**209,760**	222,606
Contribution to Provident and other Funds	**11,843**	17,205
Leave Encashment Onsite	**8,390**	-
Medicare Exps Payroll Onsite	**5,070**	-
	235,063	239,811

10 OTHER EXPENSES

Particulars	March 31, 2025	March 31, 2024
Rent	**-**	79,164
Travelling and Communication Expenses	**452**	1,614
Legal & Professional Expenses	**11,093**	16,710
Insurance Charges	**-**	1,637
Allowance for Doubtful Receivables, Unbilled Revenue and Bad Debts written off	**133,420**	52,707
Provision for Doubtful Advances, Deposits and Advances written off	**(52,707)**	5,414
Miscellaneous Expenses	**3,015**	7,513
	95,273	164,759

TECH MAHINDRA LLC

Board of Managers
Mr. Lakshmanan Chidambaram
Mr. Krishna Bala

Registered Office
251 Little Falls Drive, Wilmington,
New Castle, Delaware, 19808

Bankers
HSBC Bank
JP Morgan Chase

Auditors
CKH CPAs and Advisors, LLC

BOARD OF MANAGER'S REPORT

The Board of Manager's present their Report together with the audited accounts of your Company for the year ended March 31, 2025.

Financial Results:

For the year ended March 31	2025 USD	2024 USD
Income	**68,080**	58,773
Profit/(Loss) before tax	**0**	0
Profit/(Loss)after tax	**0**	0

Review of operations:

During the fiscal year under review, the Company achieved an income of US$ 68,080.

The Company enters into contracts with customers based in the United States of America for the development or modification of software and other related services and then outsource all of these to Tech Mahindra Ltd, which will accept the responsibility of fulfilling the terms of these contracts.

Board:

Mr. Lakshmanan Chidambaram and Mr. Krishna Bala are the Board of Managers.

During the year under review, Mr. Abhishek Shankar has resigned as Director w.e.f. 3rd March, 2025.

Acknowledgements:

Your Board of Managers gratefully acknowledge and also thank the customers, suppliers, bankers, State and Federal Government Authorities and the shareholder(s) for the co-operation and assistance received from them.

Lakshmanan Chidambaram

Board of Manager

Place: Texas
Date: April 17, 2025

INDEPENDENT AUDITOR'S REPORT

To: Board of Directors Tech Mahindra LLC
A Delaware Limited Liability Company,
a wholly owned subsidiary of Tech Mahindra Limited, an India Company
Plano, Texas

Opinion

We have audited the accompanying financial statements of Tech Mahindra LLC, a Delaware Limited Liability Company, which comprise the balance sheets as of March 31, 2025 and 2024, and the related statements of operations, changes in member's equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tech Mahindra LLC as of March 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 required to be independent of Tech Mahindra LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Tech Mahindra LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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 Tech Mahindra LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Tech Mahindra LLC's ability to continue as a going concern for a reasonable period of time.

Report on Supplementary Information

As discussed in Note 4 to the financial statements, the Company has had numerous transactions with the parent company.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Supplemental Schedules of Revenue and Expenses on page 68 are presented for purposes of additional analysis and are not a required part of the financial statements. The information has been subjected to the auditing procedures applied in the audit of financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

CKH CPA's and Advisors, LLC

Atlanta, Georgia

April 17, 2025

BALANCE SHEET AT MARCH 31, 2025 AND MARCH 31, 2024

(All amounts are in USD)	Note	2025	2024
Current assets:			
Cash and cash equivalents	3	**4,990,427**	7,665,096
Accounts receivable, net	4	**23,205,388**	21,004,360
Due from parent company	5	**907,483**	29,979
Prepaid expenses		**1,635**	6,206
Intercompany loan	6	**4,917,624**	-
		34,022,557	28,705,641
Total assets		**34,022,557**	28,705,641
Current liabilities:			
Deferred revenue		**2,731,520**	4,556,230
Accrued expenses and other current liabilities		**4,823**	3,379
Due to parent company	5	**31,276,214**	24,136,032
		34,012,557	28,695,641
Member's equity		**10,000**	10,000
Total liabilities and member's equity		**34,022,557**	28,705,641

Commitments and contingencies (Note 7)

STATEMENTS OF OPERATIONS FOR THE YEARS ENDED MARCH 31, 2025 AND MARCH 31, 2024

(All amounts are in USD)	Schedule	2025	2024
REVENUES	I	**68,080**	58,773
OPERATING EXPENSES:			
General and administrative	II	**68,080**	58,773
Total operating expenses		**68,080**	58,773
NET INCOME		**-**	-

STATEMENTS OF CHANGES IN MEMBER'S EQUITY FOR THE YEARS ENDED MARCH 31, 2025 AND MARCH 31, 2024

(All amounts are in USD)	Member's equity	Retained earnings	Total Member's equity
Balance at March 31, 2023	**10,000**	**-**	**10,000**
Net income for the year	-	-	-
Balance at March 31, 2024	**10,000**	**-**	**10,000**
Net income for the year	-	-	-
Balance at March 31, 2025	**10,000**	**-**	**10,000**

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED MARCH 31, 2025 AND MARCH 31, 2024

(All amounts are in USD)	For the year ended March 31, 2025	For the year ended March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	**$ -**	$ -
Adjustments to reconcile net income to net cash provided by operating activities:		
Changes in operating assets and liabilities:		
Accounts receivable, net	**(2,201,028)**	11,936,768
Due from parent company	**(877,504)**	190,477
Due to parent company	**7,140,182**	(3,669,724)
Prepaid expenses	**4,571**	-847
Unearned revenue	**(1,824,710)**	(1,290,557)
Accrued expenses and other current liabilities	**1,444**	(1,021)
Intercompany loan	**(4,917,624)**	-
Net cash (used in) provided by operating activities	**(2,674,669)**	7,165,096
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net cash provided by investing activities	**-**	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash provided by financing activities	**-**	-
Net (decrease) increase in cash and cash equivalents	**(2,674,669)**	7,165,096
Cash and cash equivalents, beginning of period	**7,665,096**	500,000
Cash and cash equivalents, end of period	**4,990,427**	7,665,096

NOTES TO THE FINANCIAL STATEMENTS AS OF FOR THE YEAR ENDED MARCH 31, 2025 AND MARCH 31, 2024

1 NATURE OF OPERATIONS

Tech Mahindra LLC ("the Company" or "TMLLC") is a wholly owned subsidiary of Tech Mahindra Ltd. ("TML"). The Company was incorporated in the State of Delaware on June 14, 2018. The Company is engaged in the business of providing network services, platform services, IT services, business process services and support services for clients across the United States of America.

In terms of an signed agreement between the Company and TML, the Company enters into contracts with customers based in the United States of America for the development or modification of software and other related services. The Company outsources all of these services to TML, who accepts the responsibility of fulfilling the terms of these agreements.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION

The Company has adopted the Financial Accounting Standards Board (FASB) Codification (Codification or ASC). The Codification is the single official source of authoritative accounting principles generally accepted in the United States of America (U.S. GAAP) recognized by the FASB to be applied by non-governmental entities. All of the Codification's content carries the same level of authority.

B. BASIS OF ACCOUNTING

These financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

C ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

D REVENUE AND EXPENSES

Effective December 17, 2018, the Company entered a contract with Tech Mahindra Ltd. to outsource all service delivery obligations to TML. Under the terms of this arrangement, TML assumes primary responsibility for fulfilling the services to end customers. Management has evaluated the nature of this relationship in accordance with ASC 606 and concluded that the Company does not control the specified services before they are transferred to the customer. As a result, the Company acts as an agent of TML in these transactions. Revenue is recognized on a net basis, representing the amount of consideration the Company retains after remitting the agreed-upon portion to TML. This reflects the Company's role as a pass-through entity that facilitates the transaction but does not control the services provided.

E INCOME TAXES

As a single member LLC, the Company's income and deductions are reported on the LLC member's corporate income tax return as a "disregarded entity" for income tax purposes. Accordingly, the member of the Company will be responsible for income taxes; therefore, no provision for income taxes is included in these financial statements. Due to various timing differences, income is recognized in different periods for tax reporting purposes than for financial statements purposes.

F. CASH AND CASH EQUIVALENTS

The Company considers all highly-liquid investments with maturities of three months or less to be cash or cash equivalents.

The Company places its cash on deposit with a financial institution in the United States of America. The Federal Deposit Insurance Corporation covers $250,000 for substantially all depository accounts. As of March 31, 2025, the Company had $4,002,492 (2024: $7,415,096) in excess of the Federally insured limit with the financial institution.

G. ACCOUNTS RECEIVABLE

Accounts receivable are the amounts owed on invoiced contractual agreements either in process or completed by the Company. Accounts receivable are considered delinquent when payment is not received under terms described within the individual contract's terms.

An allowance for doubtful accounts is provided for those balances considered to be uncollectible based upon historical experience and the Company's specific review of outstanding account balances. Company policy is that accounts overdue in excess of 365 days is an indicator that the receivable has potentially become uncollectible. Bad debts are written off against the allowance when identified.

An allowance for credit losses account is provided for based on qualitative and quantitative factors including the Company's historical collection experience, internally developed forecasts, current and expected economic condition, and specific allowances for known troubled accounts. The allowance for expected credit losses is determined based on the amount the Company expects to cover over the life of the receivable. During 2025 and 2024, there was no activity in the allowance for credit losses, accordingly, as of March 31, 2025 and 2024, the balance for allowance for credit losses was $ nil.

H. UNBILLED RECEIVABLES

Unbilled receivables represent accrued revenue earned and recognized on projects for which billings have not yet been presented to the customer.

I. DEFERRED REVENUE

Deferred revenue ("unearned revenue") arises when there are billing in excess of revenue.

J. RELATED PARTIES

All companies within the Group are considered to be related parties. Related parties are considered to be related if one party has the ability to control or jointly control the other party or exercise significant influence over the party in making financial and operational decisions. Key management personnel are also regarded as related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise).

3. CASH AND CASH EQUIVALENTS

At March 31, 2025 and 2024, cash and cash equivalents balances were as follows:

	2025	2024
Current accounts with bank	**$ 4,252,492**	$ 3,757,316
Funds in transit	**737,935**	3,907,780
Total	**$ 4,990,427**	$ 7,665,096

4. ACCOUNTS RECEIVABLE, NET

At March 31, 2025 and 2024, accounts receivable balances were as follows:

	2025	2024
Amounts due for services rendered and billed	**$ 12,151,091**	$ 11,190,327
Less: allowance for discounts	**(7,948)**	(18,304)
Less: allowance for doubtful debts	**(133,764)**	(133,381)
Amounts due for services rendered and billed, net	**12,009,379**	11,038,642
Amounts due for services rendered, not billed	**11,196,009**	9,965,718
Total accounts receivable, net	**$ 23,205,388**	$ 21,004,360

5. TRANSACTIONS WITH PARENT COMPANY

During the period ended March 31, 2025 and 2024, the Company had transactions with Tech Mahindra Ltd. ("TML"). At March 31, 2025 and 2024 the Company had payables due to TML as follows:

	2025	2024
Beginning balance, due to	**$ (24,106,053)**	$ (27,585,300)
Cost of services from TML	**(158,256,407)**	(132,396,966)
Reimbursements	**(4,182,664)**	(4,362,397)
Payments to parent Company	**154,809,066**	139,542,685
Revenue from TML	**1,359,684**	1,127,171
Unidentified customer receipts	**7,643**	(431,246)
Ending balance, due to	**$ (30,368,731)**	$ (24,106,053)
Due (to) consists of:		
Amounts due to TML	**$ (31,276,214)**	$ (24,136,032)
Amounts due from TML	**907,483**	29,979
	$ (30,368,731)	$ (24,106,053)

Amounts due to and receivable from TML are interest free and payable on demand.

6. TRANSACTIONS WITH RELATED PARTY

During the period ended March 31, 2025 and 2024, the Company had transactions with Tech Mahindra (Americas), Inc. ("TMA"). At March 31, 2025 and 2024 the Company had loans receivable due from TMA as follows:

	2025	2024
Beginning balance, due from TMA	**$ -**	$ -
Reimbursements	**(64,989)**	-
Payments to TMA	**64,689**	-
Intercompany loans	**4,907,826**	-
Interest income	**47,986**	-
Receipts	**(37,888)**	-
Ending balance, due from TMA	**$ 4,917,624**	$ -

*The Company entered into a cash pooling arrangement with TMA during August 2024 as a mechanism to generate funding within the group internally. The arrangement between TMA as the cash pool leader and the subsidiaries as participants is a Physical Cash Pool which stipulates that the balance from each entities bank account will automatically be transferred into a central account at the end of each day. The balances transferred are treated as intercompany loans taking into consideration the interest expense as well as interest earned. This arrangement is facilitated by a third-party financial institution.

7. COMMITTMENTS AND CONTINGENCIES

The Company is not involved in any legal proceedings in the ordinary course of its business.

8. CONCENTRATION OF CREDIT RISK

REVENUE AND ACCOUNTS RECEIVABLE

The majority of the Company's sales are credit sales. The concentration for revenue and billed accounts receivable, for the period ended March 31, 2025, is predominately from the following customers:

Billed accounts receivable as at 31 March, 2025	Amount, $	Concentration
Customer 1	6,411,543	53%
Customer 2	2,983,478	25%
Customer 3	1,701,721	14%

Billed accounts receivable as at 31 March, 2024	Amount, $	Concentration
Customer 1	5,360,972	53%
Customer 2	1,791,804	28%
Customer 3	1,541,206	11%

Revenue concentration for the year ended March 31, 2025	Amount, $	Concentration
Customer 1	86,235,214	54%
Customer 3	26,504,078	17%
Customer 2	23,676,332	15%

Revenue concentration for the year ended March 31, 2024	Amount, $	Concentration
Customer 1	61,697,597	42%
Customer 3	30,187,276	25%
Customer 2	24,265,804	17%

9 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined under Accounting Standards Codification ("ASC") 820, "Fair Value Measurements and Disclosures" ("ASC 820"), as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a three-level hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability on the measurement date. The three levels are defined as follows:

Level 1–inputs to the valuation methodology are quoted prices (unadjusted) for an identical asset or liability in an active market.

Level 2–inputs to the valuation methodology include quoted prices for a similar asset or liability in an active market or model-derived valuations in which all significant inputs are observable for substantially the full term of the asset or liability.

Level 3–inputs to the valuation methodology are unobservable and significant to the fair value measurement of the asset or liability.

The carrying amounts of cash, accounts receivable and accounts payable approximate fair value due to the short-term maturity of the instruments.

10. SUBSEQUENT EVENTS

The Company has evaluated subsequent events through April 17, 2025. No significant events occurred subsequent to the balance sheet date that would have a material impact on the financial statements.

SUPPLEMENTAL SCHEDULES OF REVENUE AND EXPENSES

(All amounts are in USD)	2025	2024
Schedule I		
REVENUE		
Contract revenue from third parties	**158,256,407**	132,396,966
Transfer to parent or affiliated companies	**(158,256,407)**	(132,396,966)
	-	-
Revenue from parent or affiliated companies	**68,080**	58,773
	68,080	58,773
Schedule II		
GENERAL AND ADMINISTRATIVE		
Professional fees	**43,375**	31,992
Insurance	**21,911**	23,976
Bank charges	**1,594**	1,859
Miscellaneous	**1,200**	946
	68,080	58,773

DIGITAL ONUS, INC.

Board of Directors
Mr. Lakshmanan Chidambaram
Mr. Krishna Bala

Registered office
1735 Technology Dr
Suite 575
San Jose California 95110
U.S.A

Bankers
HSBC Bank USA NA

Auditors
Rajeswari Santhanam CPA
Tranquility Consulting LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Shareholders

Digital OnUs Inc

We have audited the accompanying consolidated financial statements of Digital OnUs Inc & Subsidiary, which comprise the Balance Sheet as of March 31, 2025, and the related consolidated statements of operations and comprehensive income (loss), changes in shareholders' equity, and cash flows for the period April 1, 2024, to March 31, 2025, along with the related notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The Company designs and maintains accounting and internal control systems to provide reasonable assurance at a reasonable cost that assets are safeguarded against loss from unauthorized use or disposition, and that the financial records are reliable for preparing financial statements and maintaining accountability for assets. These systems are augmented by written policies. An organizational structure providing division of responsibilities, careful selection and training of qualified personnel, and a program of internal audits. The Board of Directors meets periodically with management and internal auditors to ensure that each is meeting its responsibilities and to discuss matters concerning it. 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.

Auditor's Responsibilities

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

Opinion

Based on our opinion, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was concluded to form an opinion on the consolidated financial statement. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements. In addition, we relied on the independent audit report from Tech Mahindra Mexico Cloud Services, SAB de R.L. de. C.V. (Mexico subsidiary) on certain estimated calculations, like the Retirement Obligation Liability of 135,167,901 pesos in 2024-25. This is reasonably comparable to the FY 2023-24 liability of 128,986,303.33 Pesos.

In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Rajeswari Santhanam
Certified Public Accountant
5th May, 2025

CONSOLIDATED BALANCE SHEET AS OF MARCH 31, 2025

Amounts in USD'000

ASSETS	2025	2024
Current assets		
Cash and equivalents	**359**	9,631
Accounts receivable and accrued revenue	**13,729**	19,427
Advance taxes	**11,417**	4,684
Prepaid items and other current assets	**820**	679
Total current assets	**26,324**	34,421
Property and equipment		
Property and equipment, at cost	**2,883**	3,346
Less: Accumulated depreciation	**(2,172)**	(2,124)
Net property and equipment	**711**	1,222
Other assets		
Deferred tax assets	**978**	800
Investments	**-**	-
Deposits and other assets	**110**	88
Total other assets	**1,088**	888
Total assets	**28,123**	36,531
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	**1,163**	3,386
Accrued expenses and accrued taxes	**500**	2,432
Payroll accrued expenses	**-**	7,782
Accrued State and Federal taxes	**7,702**	7,352
Other current liabilities	**8,090**	4,469
Total current liabilities	**17,455**	25,421
Other liabilities		
Deferred Revenue	**142**	142
Total Other current liabilities	**142**	142
Shareholder's equity		
Common Stock	**1**	1
Series Seed	**0**	0
Additional Paid in Capital	**18,083**	18,083
Currency Translation Reserve	**993**	672
Capital Reserve	**6,123**	6,123
Retained earnings	**(14,232)**	(15,061)
Net Income for the period	**781**	812
Other Comprehensive Income/(Loss)	**(1,223)**	338
Total shareholders' equity	**10,526**	10,968
Total liabilities and shareholders' equity	**28,123**	36,531

CONSOLIDATED STATEMENT OF INCOME FOR THE PERIOD APRIL 1, 2024 TO MARCH 31, 2025

Amounts in USD'000

	2024-25	2023-24
Revenue from services	**50,196**	80,792
Operating expenses	**-**	-
Salaries, employee benefits and taxes	**37,146**	63,790
Outside engineering services	**8,485**	9,473
Selling, general and administrative expenses	**2,453**	3,820
	48,084	77,083
Net income from operations	**2,113**	3,709
Other Expenses		
Depreciation Exp	**631**	744
Transaction Advisory Fees	**-**	-
Stock Services/Special Gratifications	**-**	-
	631	744
Other income (expense)		
Interest and Other Income	**141**	61
	141	61
Income (loss) before taxes	**1,623**	3,027
Income taxes		
US Federal and state taxes	**439**	831
US deferred tax expense (benefit)	**40**	(172)
Sundry Balances	**(3)**	-
Foreign Taxes	**366**	1,217
	842	1,877
Net income (loss)	**781**	1,150
Income (loss) for the period	**781**	1,150
Other Comprehensive Income/Loss		
Currency Translation Adjustment	**(1,223)**	(338)
Comprehensive income (loss)	**(442)**	812

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY FOR THE PERIOD APRIL 1, 2024 TO MARCH 31, 2025

Amounts in USD ‘000

Particulars	Beginning of the Year	Addition	Adj/ Elimination	End of the Year
Equity				
Common Stock				
Number of Shares	8,754	-	-	8,754
Value	1	-	-	1
Additional Paid-In Capital	18,083	-	-	18,083
Retained Earnings	(14,249)		17	(14,232)
Net Income	-	781	-	781
Capital Reserve	6,123	-	-	6,123
Currency Translation Adjustments	-	(1,223)	-	(1,223)
Currency Translation Reserve	1,010	-	(17)	1.010
Total STOCKHOLDERS EQUITY	**10,968**	**(443)**	**-**	**10,542**

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD APRIL 1, 2024 TO MARCH 31, 2025

Amounts in USD '000

	2024-25	2023-24
Net Income	**781**	1,150
Account Receivable	**(182)**	1,871
Unbilled Receivable	**4,865**	(3,567)
Interco Receivables	**(1,799)**	1,367
Prepaid Expenses	**-**	-
Inter co advances	**-**	-
Inter co payables	**-**	-
Trade payables	**(2,483)**	(2,519)
Advance State and Federal taxes	**(2,078)**	(299)
Accumulated Depreciation	**4,804**	199
Credit cards payable	**(14)**	(53)
Leave accruals	**-**	-
Intercompany accruals	**(3,139)**	3,926
Billed in Advance	**-**	(309)
Provision for doubtful receivables	**(17)**	171
Other Accrued Expense	**(7,784)**	(4)
Accrued State and Federal taxes	**350**	831
Adjustments to earnings/losses of previous financial years	**(11,369)**	283
Net cash provided by operating activities	**(18,066)**	3,047
INVESTING ACTIVITIES		
Investment in Subsidiaries - Canada	**-**	-
Fixes asset acquisition	**5,518**	(32)
Deferred Tax Assets	**16**	(92)
Net cash provided by investing activities	**5,534**	(124)
FINANCING ACTIVITIES		
Interco Advances and unbilled - Mexico	**-**	-
Deferred Revenue	**-**	-
Capital Reserve	**3,263**	(140)
Net cash provided by financing activities	**3,263**	(140)
Net cash increase for the period	**(9,273)**	2,783
Cash at the beginning of the period	**9,631**	6,848
Cash at the end of the period	**359**	9,631

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2025

OVERVIEW OF ORGANISATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Company and background

Digital OnUs, Inc. ("Company") is a hyper-specialized services company enabling digital transformations for enterprise customers. With an area of focus on cloud-native development, Hybrid cloud infrastructure automation, and SRE automation for operation. Digital OnUs provides services to its global customers and is based out of California, US. The Company has its nearshore delivery centers in Monterrey, Guadalajara, and Saltillo (Mexico).

The Company was incorporated on March 24, 2015, in Delaware, and on May 7th, 2021, the Company was acquired by Tech Mahindra Americas Inc.

Operations outside the United States include a Subsidiary in Mexico The Parent company in the US is the primary beneficiary of development and consulting services provided by the foreign branch and subsidiaries. Foreign operations are subject to risks inherent in operating under different legal systems and various political and economic environments. Among the risks are changes in existing tax laws, possible limitations on foreign investment and income repatriation, government price or foreign exchange controls, and restrictions on currency exchange.

Basis of Presentation

The consolidated financial statements include the accounts of Digital OnUs, Inc., Digital OnUs S. DE R.L. DE C.V. ("DOU Mexico").The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). All significant intercompany balances and transactions have been eliminated in consolidation. The amounts in the financial reports are represented in thousands.

Fair Value of Financial Instruments

The Company has estimated the fair value of its financial instruments, including cash and cash equivalents, accounts receivable, accounts payable, accrued liabilities, and amounts due to related companies. The Company used information available at the fiscal year-end to determine that the carrying amounts of such financial instruments are of approximately fair value in all cases due to their short-term nature.

The Company maintains its cash and cash equivalents in bank deposit accounts in the United States and Mexico. Cash and cash equivalents are reported at carrying value, which approximates fair value.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. As of March 31, 2025, cash and cash equivalents consist of cash deposited with banks. The Company deposits its cash and cash equivalents with major financial institutions that management believes are of high credit quality; however, at times, balances exceed federally insured Federal Deposit Insurance Corporation (FDIC) and other foreign insurance limits.

Cash and Cash equivalents in USD consist of the following:

	DOU US	DOU Mexico	Total
Bank Accounts			
Bank US HSBC 3901	209		209
Bank US HSBC 2170	-		-
Bank US HSBC Mexico		149	149
Total Bank Accounts	**209**	**149**	**359**

Trade Accounts Receivable

The Company grants credit terms in the normal course of business to its customers. The concentrations of credit risk with respect to these trade receivables are considered minimal due to the geographical and operating diversity of the companies involved. The Company's revenues and resulting accounts receivable are derived primarily from large and mid-sized organizations in various industries throughout the United States.

Accounts receivables are recorded as invoiced amounts, net of the Company's estimated allowances for doubtful accounts. The allowance for doubtful accounts is based on specifically identified amounts that the Company believes to be uncollectible. If actual collections experience changes, revisions to the allowance may be required.

Property, Plant, and Equipment

Property, Plant, and equipment are stated at cost less depreciation and provision for impairment where appropriate. Depreciation expense is computed using the straight-line method over estimated useful lives of three to seven years. All repair and maintenance costs are expensed as incurred.

There is no immovable property owned by the company as on March 31, 2025

As of the balance sheet date, property and equipment consist of the following:

	DOU US	DOU Mexico	Total
FIXED ASSETS			
PPE-Computers & Equipment	78	(2,152)	(2,074)
Office Equipment	-	(49)	(49)
Leasehold Improvements	-	(49)	(49)
	78	**(2,250)**	**(2,172)**
Less: Accumulated depreciation	(78)	2,960	2,882
Net Fixed Assets	**(0)**	**711**	**711**

Investment in Subsidiary

Digital OnUs, Inc. owns 100% of the common stock of DOU Mexico and could exercise significant influence over this investee's operating and financial policies.

Revenue Recognition

Revenues are recognized when all the following criteria are met:

Persuasive evidence of an arrangement exists: Evidence of an arrangement consists of a written contract signed by both the customer and management prior to the end of the period.

Delivery or performance has occurred: The Company's software is delivered electronically to the customer.

Delivery is considered to have occurred when the Company provides the customer with access to the software along with login credentials.

Fees are fixed or determined: Fees from licenses are generally due in annual or, in certain cases, quarterly installments over the agreement's term beginning on the license's effective date. Accordingly, fees from term licenses may not be fixed or determinable until they become due.

Collectability is probable: Collectability is assessed on a customer-by-customer basis, based primarily on creditworthiness as determined by credit checks and analysis, as well as customer payment history. Payment terms generally range from 30 to 90 days from the invoice date. If it is determined prior to revenue recognition that collection of an arrangement fee is not probable, revenues are deferred until collection becomes probable or cash is collected, assuming all other revenue recognition criteria are satisfied.

The Company generates revenue from consulting services: Consulting service arrangements are billed on a time-and-material basis and associated revenue is recognized when there is persuasive evidence of a contractual arrangement with customers, the delivery has occurred, the sales price is fixed or determinable and collectability is probable. Revenue from fixed-price milestone-based projects is recognized after delivery commitments are met, as it meets the criteria for fixed or determinable fees, and the payment from customers is not contingent upon the purchase or delivery of future maintenance and support.

Employee Benefits

Employer contributions to defined contributions and other benefit plans are charged to expense as incurred.

Accounts Payable

Amounts classified as accounts payable represent amounts due on account of services received in the normal course of business. Accounts payable have further been classified into accounts payable outstanding for more than six months and less than six months. No payables are outstanding for more than six months as of March 31. 2025.

Long Term Debt

The company does not have any long-term debt in its books of accounts during the period. The Company has not accepted long-term deposits from the public during the period.

Retained Earnings & Capital Reserve of DoU Mexico

Opening Retained Earnings for FY 2024-25 carry a difference of $0.804 as compared to the closing balance as per the previous year's audit report. The Net total will not have an impact, but the respective ledger amount shows the difference. The difference of $805k is adjusted with the current year translation reserve.

	Amounts in USD '000
Retained Earnings as per the US Audit Report	(8,381)
Additional Paid in Capital as per the US Audit Report	14,653
Currency Translation Adjustment	(231)
Total Equity as per the US Audit Report	6,041
Equity, including Retained Earnings, reported as per Mexico Books	5,236
Difference between US Consolidation and Mexico stand-alone books	**804**
2019 US Audit adjustment entries related to US GAAP vs Mexico books on VAT refund treatments	621
2019 US Audit adjustments related to Depreciation adjustments between US GAAP vs. Mexico Books	30
2020 US Audit adjustments related to Depreciation adjustments	(1)
Currency translation difference between Mexico and the US	154
Consolidation Calculations	**804**

Income Taxes

Income tax for the period comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly to equity, in which case it is recognized in equity.

The current tax charge or (benefit) is the amount expected to be paid or recovered from the taxation authorities in respect of taxable profits or losses for current periods and prior periods. Taxes, other than on income, are recorded within operating expenses.

Deferred taxes are accounted for under the asset and liability method for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax balances are measured at tax rates enacted or substantially enacted at the balance sheet date which are expected to apply to the period when the temporary differences will reverse, or the tax loss carryforwards will be utilized. Deferred tax assets for deductible temporary differences are recorded only to the extent that it is probable that future taxable profits will be available against the deductions that can be utilized.

The Company recognizes interest and penalties related to uncertain tax positions in income tax expense. No uncertain positions were identified during any of the periods presented.

U.S. State Income Taxes

The Company engages in business activities in multiple states in the United States. These states subject the US entity to varying rates of franchise or income tax based on the share of revenue, payroll, and property factors apportioned to each state.

The consolidated expenses for income taxes consisted of the following components:

Current Income Taxes

	Amounts in USD '000
DOU US Consolidated Profit After Taxes	**781**
Add : Federal and state tax	1,067
Deferred tax	(224)
Total	**843**
Profit Before Tax	**1,624**
Permanent Difference	
Earnout	-
FCTR	-
Temporary Differences	
State Taxes	(8)
Depreciation (Book to tax differences)	449
Provision for bad debts	(17)
Taxable Income	**2,063**
Available NOL limited by IRC 382	-
Less: NOL limited to 80% of taxable income	-
Federal Taxable Income	2,063
Federal tax @21%	434
State Taxes	8
Current tax expenses	**442**

Limitations On the Use of NOL:

The Company has a net operating loss (NOL) carryforward of $25.3 million for federal tax purposes. Under the Tax Cuts and Jobs Act, effective January 1, 2018, NOLs that arise in taxable years ending after December 31, 2019, can be carried forward indefinitely. For tax years 2021 and beyond, a net operating loss may not exceed 80% of federal taxable income computed without regard to the NOL deduction. As of 2021, few states conform to federal NOL provisions, while others limit the carryforward to a period ranging from 5 to 20 years. Further, the NOLs are limited by Section 382 imposes an annual limit on the use of NOLs in the hands of the acquirer equal to the minimum of the market value of the target's stock multiplied by the long-term tax-exempt rate or taxable income of the combined company.

Annual IRC 382 Limitation Calculation Amounts in USD '000

Tax Year	Base Limitation	RBIG	Total Annual IRC 382 Limitation
2021	1,330	5,285	6,615
2022-2025	1,476	5,863	7,339
2026	1,476	578	2,054

Deferred Taxes

The Company utilizes the liability method of accounting for income taxes whereby deferred taxes are determined based on the estimated future tax effects of differences between the financial statements and tax bases of assets and liabilities, using the enacted tax rates that are expected to apply to taxable income when the temporary differences are expected to reverse.

As on March 2025, the company reported the following in net deferred tax assets and liabilities as non-current in the consolidated balance sheet:

Deferred Tax workings	Federal	State
Tax Rate	20.90%	0.46%
Opening Deferred Tax Asset	600	
Depreciation (tax benefit)	94	2
Provision for bad debts (tax benefit)	(4)	(0)
Ending Deferred Tax Asset	**690**	**2**

The deferred tax provisions are calculated by applying an estimate of the annual effective tax rate for the full fiscal year to ordinary income or loss.

Valuation Allowance:

To determine whether a valuation allowance should be recognized for deferred tax assets under U.S. generally accepted accounting principles, entities need to discern whether it is more likely than not that some or all their deferred tax assets will not be realized. Subtopic 740-10-30 of the Financial Accounting Standards Board's Accounting Standards Codification (ASC) addresses this determination and requires consideration to be given to all available evidence, both positive and negative. ASC 740-10-30-23 emphasizes that the weight given to each piece of evidence should be commensurate with the extent to which it can be objectively verified. Since estimates of future income are inherently subjective, they are given less weight in the valuation allowance assessment than objectively verifiable negative evidence presented by current geo-political events, inflationary and high-interest rate environment impacting IT spending, and risks associated with the global economic recession.

Comprehensive Income

Comprehensive Income consists of foreign currency translation adjustments from those subsidiaries not using the U.S. dollar as their functional currency.

Foreign Currency Transactions

Results of operations for the Company's foreign subsidiaries are translated from the local (functional) currency to the U.S. dollar using average exchange rates during the period, while assets and liabilities are translated at rates of exchange in effect at the date of the balance sheet. The resulting foreign currency translation adjustments are recorded as a separate component of accumulated other comprehensive income in the accompanying consolidated balance sheets. Foreign currency transaction gains (losses) resulting from exchange rate fluctuations on transactions denominated in a currency other than the foreign subsidiary's functional currency are included in earnings. The Company experienced a net foreign currency translation adjustment of $-213379.36 for the period of April 1st, 2024, to March 31st, 2025.

Management Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The Company's most significant estimates relate to the allowance for doubtful accounts, potential asset impairments, and accruals for Labour contingency based on Mexico's local jurisdiction requirements.

The concentration of Credit Risk

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents, to the extent of the amounts recorded on the balance sheet.

Related Party Disclosures

Name of Related Parties and Nature of Relationship

Sl. No.	Related Party	Nature Of Relationship
1	Digital OnUs, Inc. - US	Parent Entity
2	Digital OnUs S. DE R.L. DE C.V - Mexico	Wholly Owned Subsidiary

Related Party Transaction

The Company's foreign subsidiary (DOU Mexico) provides engineering, development, and administrative services to DOU Inc, US. While the resource cost for these services is all charged under DOU Mexico, the revenue is generated from DOU Inc US.

SUBSEQUENT EVENTS

The management has evaluated subsequent events through April 19, 2025. No material subsequent events have occurred through this date that required recognition or disclosure in these consolidated financial statements.

SUPPLEMENTARY INFORMATION

CONSOLIDATED BALANCE SHEET MARCH 31, 2025

ASSETS	DOU - US	DOU - Mexico	Elimination	Total
Current assets				
Cash and equivalents	209	149	-	359
Accounts receivable and accrued revenue	1,942	12,527	(741)	13,725
Advance taxes	10,994	423	-	11,417
Prepaid items and other current assets	-	820	-	820
Total current assets	**13,145**	**13,919**	**(741)**	**26,324**
Property and equipment				-
Property and equipment, at cost	78	(2,250)	-	(2,172)
Less: Accumulated depreciation	(78)	2,960	-	2,882
Net property and equipment	**(0)**	**711**	**-**	**711**
Deferred tax assets	692	287	-	979
Investments	14,653	-	(14,653)	-
Deposits and other assets	-	110	-	110
Total other assets	**15,345**	**397**	**(14,653)**	**1,088**
Total assets	**28,490**	**15,026**	**(15,394)**	**28,123**
LIABILITIES AND SHAREHOLDERS EQUITY				-
Accounts payable and accrued liabilities	904	259	-	1,163
Accrued expenses and accrued taxes	4	496	-	500
Payroll accrued expenses	-	-	-	-
Accrued State and Federal taxes	6,263	1,438	-	7,702
Other current liabilities	1,299	6,791	-	8,091
Total current liabilities	**8,470**	**8,985**	**-**	**17,455**
Other liabilities				-
Deferred Revenue	142	-	-	142
Total Other current liabilities	**142**	**-**	**-**	**142**
Shareholder's equity				-
Common Stock	1	-	-	1
Series Seed	0	-	-	0
Additional Paid in Capital	18,083	14,653	(14,653)	18,083
Currency Translation Adjustment	0	(230)		(230)
Capital Reserve	6,123	-	-	6,123
Retained earnings	(4,169)	(9,323)	(741)	(14,232)
Net Income for the period	(161)	942	-	781
Total shareholders' equity	**19,877**	**6,041**	**(15,394)**	**10,525**
Total liabilities and shareholders' equity	**28,490**	**15,026**	**(15,394)**	**28,123**

CONSOLIDATED THE STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD APRIL 1, 2024 TO MARCH 31, 2025

	DOU - US	DOU - Mexico	Elimination	Total
Revenue from services	**(893)**	**51,089**		**50,196**
Operating expenses				
Salaries, employee benefits and taxes	(1,076)	38,221		37,146
Outside engineering services	-	8,485		8,485
Selling, general and administrative expenses	136	2,317		2,453
	(940)	**49,024**	**-**	**48,084**
Net Income (Loss) from operations	**47**	**2,066**	**-**	**2,113**
Other Expenses				
Depreciation Exp	1	630		631
Transaction Advisory Fees		-		-
Stock Services/Special Gratifications		-		-
	1	**630**	**-**	**631**
Other income (expense)				
Interest and Other Income	135	6		141
	135	**6**	**-**	**141**
Income (loss) before taxes	**182**	**1,441**	**-**	**1,623**
Income taxes				
US Federal and state taxes	438	1		439
US deferred tax expense (benefit)	(92)	132		40
Sundry Balance	(3)	-		(3)
Foreign Taxes	-	366		366
	343	**499**		**842**
Net income (loss)	**(161)**	**942**		**781**
Income (loss) for the period	**(161)**	**942**	**-**	**781**
Other Comprehensive Income / Loss				
Currency Translation Adjustment	-	(1,223)		(1,223)
Comprehensive income (loss)	**(161)**	**(282)**	**-**	**(442)**

CONSOLIDATED THE STATEMENT OF CASH FLOWS AS OF MARCH 31, 2025

	DOU US	DOU Mx	Elimination	Total
Net Income	(161)	942	-	781
Account Receivable	(225)	43	-	(182)
Unbilled Receivable	4,865	-	-	4,865
Interco Receivables	(277)	(1,522)	-	(1,799)
Prepaid Expenses	-	-	-	-
Trade payables	(662)	(1,821)	-	(2,483)
Advance State and Federal taxes	(516)	(1,562)	-	(2,078)
Accumulated Depreciation	1	4,803	-	4,804
Credit cards payable	(14)	-	-	(14)
Leave accruals	-	-	-	-
Intercompany accruals	(3,139)	-	-	(3,139)
Billed in Advance	-	-	-	-
Provision for doubtful receivables	(17)	-	-	(17)
Other Accrued Expense	(2)	(7,782)	-	(7,784)
Accrued State and Federal taxes	438	(88)	-	350
Adjustments to earning/loss previous financial years	(11,369)	-	-	(11,369)
Net cash provided by operating activities	**(11,079)**	**(6,986)**	**-**	**(18,066)**
INVESTING ACTIVITIES				
Fixed Asset Acquisition	-	5,518		5,518
Deferred Tax Assets	(92)	104	-	12
Net cash provided by investing activities	**(92)**	**5,622**	**-**	**5,530**
FINANCING ACTIVITIES				
Capital Reserve	3,494	-231	-	3,263
Net cash provided by financing activities	**3,494**	**-231**	**-**	**3,263**
Net cash increase for period	**(7,678)**	**(1,595)**	**-**	**(9,273)**
Cash at beginning of period	**7,887**	**1,744**	**-**	**9,631**
Cash at end of period	**209**	**149**	**-**	**359**

CONSOLIDATED STATEMENT OF GENERAL ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED MARCH 31, 2025

Expenses	DOU - US	DOU - Mexico	Elimination	Total
Hosting expenses	2	-	-	2
Licenses	16	-	-	16
Office Supplies	-	31	-	31
Rent	-	552	-	552
Facilities and Maintenance	-	131	-	131
Energy	-	32	-	32
Cleaning Articles	-	9		9
Publicity	-	-	-	-
Postage and Delivery	-	33	-	33
Late Fees and Non-deductible expense	-	42	-	42
Printing & Stationery	-	-	-	-
Telephone and Internet	-	67	-	67
Rates and Taxes	-	4	-	4
Legal and Professional Services	28	133	-	161
Subscriptions	18	62	-	80
Miscellaneous	29	471	-	499
Facilities and Utilities	4	-	-	4
Travel	-	-	-	-
Sundry Debtors written off	56	-	-	56
Provision for doubtful debts	(17)	-	-	(17)
Labor Contingency	-	928	-	928
BPS Other expenses	-	61	-	61
Security Services	-	0	-	0
Sundry Expenses	-	87	-	87
Management Lodging	-	1	-	1
Foreign Exchange Gain/Loss	1	(286)	-	(285)
Total	**136**	**2,359**	**-**	**2,495**

SAFFRONIC INC.

Management Certified Financial Statements for the year ended 31st March, 2025

Board of Directors
Mr. Birendrakumar Udairaj Sen
Mr. Kunal Chetan Jesrani

Registered office
251 Little Falls Drive,
City of Wilmington,
19808,
County of New Castle
Delaware.

Bankers
Citibank N.A.
J.P. Morgan Chase Bank N.A.

BALANCE SHEET AS AT ENDED

Currency USD

	Note No.	31-Mar-25	31-Mar-24
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment		**-**	-
(b) Capital work-in-Progress		**-**	-
(c) Investment Property		**-**	-
(d) Goodwill		**-**	-
(e) Intangible Assets		**-**	-
(f) Financial Assets			
(i) Investments		**-**	-
(ii) Trade Receivables		**-**	-
(iii) Loans		**-**	-
(iv) Other Financial Assets	1	**1,280**	-
(g) Advance Income Taxes (Net of provisions)		**-**	-
(h) Deferred Tax Assets (Net)		**199,000**	287,569
(i) Other Non-Current Assets		**-**	-
Total Non-Current Assets		**200,280**	287,569
Current Assets			
(a) Inventories		**-**	-
(b) Financial Assets			
(i) Investments		**-**	-
(ii) Trade Receivables	2	**687,087**	764,680
(iii) Cash and Cash Equivalents	3	**472,770**	1,106,563
(iv) Other Balances with Banks		**-**	-
(v) Loans	4	**840,295**	-
(vi) Other Financial Assets	5	**747,739**	530,779
(c) Other Current Assets		**-**	-
		2,747,891	2,402,022
Assets held-for-sale		**-**	-
Total Current Assets		**2,747,891**	2,402,022
Total Assets		**2,948,171**	2,689,591
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	6	**387,360**	387,360
(b) Other Equity	7	**(8,390,260)**	(5,728,700)
Equity Attributable to Owners of the Company		**(8,002,900)**	(5,341,340)
Non-Controlling Interests		**-**	-
Total Equity		**(8,002,900)**	(5,341,340)

Currency USD

	Note No.	31-Mar-25	31-Mar-24
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		**-**	-
(ii) Other Financial Liabilities		**-**	-
(b) Provisions		**-**	-
(c) Deferred Tax Liabilities (Net)		**-**	-
(d) Other Non-Current Liabilities		**-**	-
Total Non - Current Liabilities		**-**	-
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings		**-**	-
(ii) Trade Payables		**10,978,157**	8,029,585
(iii) Other Financial Liabilities	8	**(29,823)**	-
(b) Other Current Liabilities		**-**	-
(c) Provisions		**-**	-
(d) Current Tax Liabilities (Net)		**2,737**	1,346
Total Current Liabilities		**10,951,071**	8,030,931
Suspense Account (Net)		**-**	-
Total Equity and Liabilities		**2,948,171**	2,689,591

Birendrakumar Udairaj Sen
Director

Date: May 5, 2025

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED

Currency USD

		Note No.	For The Period Ended 31-Mar-25	For The Period Ended 31-Mar-24
I	**Revenue from Operations**		**4,487,711**	2,806,979
II	Other Income	9	**4,117**	(136)
III	**Total Revenue (I + II)**		**4,491,828**	2,806,843
IV	**EXPENSES**			
	Employee Benefit Expense	10	**508,082**	-
	Subcontracting Expenses		**6,598,390**	6,769,102
	Finance Costs	11	**-**	861
	Depreciation and Amortisation Expense		**-**	-
	Other Expenses	12	**752,963**	508,076
	Total Expenses		**7,859,435**	7,278,039
V	**Share of (Profit) / Loss of Associates**		**-**	-
VI	**Profit/(loss) before Exceptional Item and Tax (III-IV-V)**		**(3,367,607)**	(4,471,196)
VII	**Exceptional Item (net)**		**-**	-
VIII	**Profit/(loss) Before Tax (VI+VII)**		**(3,367,607)**	(4,471,196)
IX	**Tax Expense**			
	Current tax		**1,145**	1,546
	MAT charge / (credit)		**-**	-
	Earlier years excess provision written back		**-**	-
	Deferred Tax		**(707,193)**	(939,569)
	Total Tax Expense		**(706,048)**	(938,023)
X	**Profit/(loss) after Tax**		**(2,661,559)**	(3,533,173)
XI	**Profit/(Loss) for the period attributable to:**			
	Owners of the Company		**(2,661,559)**	(3,533,173)
	Non Controlling Interests		**-**	-
			(2,661,559)	(3,533,173)
XII	**Other Comprehensive Income**			
A	I. Items that will not be recycled to Profit or Loss			
	(a) Remeasurements of the Defined Benefit Liabilities / (Asset)		**-**	-
	(b) Equity instruments through Other Comprehensive Income		**-**	-
	II. Income tax relating to items that will not be reclassified to Profit or Loss		**-**	-

Currency USD

		Note No.	For The Period Ended 31-Mar-25	For The Period Ended 31-Mar-24
B	I. Items that may be reclassified to Profit or Loss			
	(a) Exchange differences in translating the Financial Statements of Foreign Operations		**-**	-
	(b) Effective portion of gains and loss on Designated Portion of Hedging Instruments in a Cash Flow Hedge		**-**	-
	II. Income tax on items that will be reclassified to Profit or Loss		**-**	-
XIII	**Total Comprehensive Income for the period (X+XII)**		**(2,661,559)**	(3,533,173)
XIV	**Total comprehensive income for the period attributable to:**			
	Owners of the Company		**(2,661,559)**	(3,533,173)
	Non controlling interests		**0**	-

Birendrakumar Udairaj Sen
Director

Date: May 5, 2025

Note- 1

Other Financial Assets

Currency USD

Particulars	As at 31-Mar-25	As at 31-Mar-24
a) Unbilled Revenue	**-**	-
	-	-
b) Interest Receivable		
(i) Interest accrued on deposits, loans and advances	**-**	-
(ii) Interest - Others	**1,280**	-
	1,280	-
c) Security Deposits		
- Unsecured, considered good	**-**	-
- Doubtful	**-**	-
Less : Allowance for expected credit loss	**-**	-
	-	-
d) Lease Receivable		
Considered Good	**-**	-
Considered Doubtful	**-**	-
Provision	**-**	-
	-	-
e) Fixed deposits/Margin Money Deposits having maturities of more than 12 months from the Balance Sheet date	**-**	-
	-	-
f) Foreign Currency Derivative Assets	**-**	-
	-	-
g) Advances to Related Parties		
- Secured, considered good	**-**	-
- Unsecured, considered doubtful	**-**	-
- Doubtful	**-**	-
	-	-
h) Financial guarantee contracts	**-**	-
TOTAL	**1,280**	-

Note -2

Trade Receivables-Current

Currency USD

Particulars	As at 31-Mar-25	As at 31-Mar-24
Trade Receivables		
Over Six Months		
(a) Unsecured, considered good*	**-**	-
(b) Doubtful	**149,333**	-
Others		
(a) Unsecured, considered good**	**687,087**	764,680
(b) Doubtful	**-**	-
Less: Allowance for expected credit loss	**(149,333)**	-
TOTAL	**687,087**	764,680

Note

1. * Net of remittances received aggregating to USD Million (previous year: USD Million) pending adjustments against invoices.
2. ** Net of remittances received aggregating to USD Million (previous year: USD Million) pending adjustments against invoices.

Note - 3

Cash and Cash Equivalents

Currency USD

Particulars	As at 31-Mar-25	As at 31-Mar-24
Current Cash and bank balances		
Cash in hand	**-**	-
Cheques on Hand	**-**	-
Fund in Transit	**-**	-
Balances with banks		
(i) In Current Account	**472,770**	1,106,563
(ii) In Deposit Account (Original maturity less than 3 months)	**-**	-
Total	**472,770**	1,106,563

Reconcliation of Cash and Cash Equivalents

Particulars	As at 31-Mar-25	As at 31-Mar-24
Total Cash and Cash Equivalents	**472,770**	1,106,563
Add: Current Cash and bank balances	**-**	-
Add: Current Restricted cash and bank balances	**-**	-
Total Cash and Bank Balance	**472,770**	1,106,563

Note - 4

Loans

Currency USD

Particulars	As at 31-Mar-25	As at 31-Mar-24
	Current	**Current**
a) Loans to Related Parties		
- Unsecured, considered good	**840,295**	-
Total	**840,295**	-

Note - 5

Other Financial Assets

Currency USD

Particulars	As at 31-Mar-25	As at 31-Mar-24
	Current	**Current**
a) Unbilled Revenue	**747,739**	530,779
	747,739	530,779
b) Interest Receivable		
(i) Interest accrued on deposits, loans and advances	**-**	-
(ii) Interest - Others	**-**	-
	-	-
c) Security Deposits		
- Unsecured, considered good	**-**	-
- Doubtful	**-**	-
Less : Allowance for expected credit loss	**-**	-
	-	-
d) Lease Receivable		
Considered Good	**-**	-
	-	-

Currency USD

Particulars	As at 31-Mar-25	As at 31-Mar-24
	Current	Current
e) Foreign Currency Derivatives Assets	-	-
	-	-
f) Advances to Related Parties		
- Secured, considered good	-	-
- Unsecured, considered doubtful	-	-
- Provision	-	-
	-	-
g) Contractually Reimbursable Expenses #		
Considered Good	-	-
Considered Doubtful	-	-
Less: Allowance for expected credit loss	-	-
	-	-
h) Financial guarantee contracts	-	-
	-	-
i) Financial Assets measured at Amortised Cost	-	-
TOTAL	**747,739**	530,779

Note - 6

Equity share capital

Currency USD

Particulars	Number of Shares	Equity share capital
Authorised:		
Issued Subscribed and Paid up share Capital as at beginning of reporting period	**4,542,750**	387,360
Less: Treasury Shares		
Balance as at beginning of reporting period	**4,542,750**	387,360
Changes in equity share capital during the year		
Issue of equity shares		-
Changes in Treasury Shares		
Issue of equity shares under employee share option plan		
Balance at the end of reporting period 31 March, 2025	**4,542,750**	387,360

Check	
As per Hyperion	387,360
Difference (this should be Zero)	-

Details of shares held by each shareholder holding more than 5% shares:	**As at ->**	**31-Mar-25**
Name of the shareholder	**Number of shares held**	**% holding of total shares**
TMUSA	3,899,250	85.8%
TVSP LLC	247,500	5.4%
Kumar Chandrasekaran	198,000	4.4%
Prabhakar S	198,000	4.4%
		0.0%
		0.0%

Note -7: Other Equity

Currency USD

Particulars	Share Application Money pending Allotment	Reserves & Surplus									Hedging Reserve	Fair Value through OCI (FVTOCI)	Foreign Currency Translation Reserve	Attributable to Owners of the Parent	Non Controlling Interests	Total
		Capital Reserve on Consolidation	Capital reserve	Securities Premium	Share Option Outstanding Account	General Reserve	Statutory Reserve	SEZ reinvestment Reserve	Capital Redemption Reserve	Retained Earnings						
Balance at the beginning of reporting period	-	-	-	-	-	-	-	-	-	(5,728,700)	-	-	-	(5,728,700)		(5,728,700)
Profit for the period										(2,661,559)				(2,661,559)	-	(2,661,559)
Other Comprehensive Income										-	-	-	-	-	-	-
Total Comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(2,661,559)**	**-**	**-**	**-**	**(2,661,559)**	**-**	**(2,661,559)**
Money received / Movement on account of issue of shares / exercise of Options (net)	-			-										-		-
Transfer from share option outstanding account to Securities premium on exercise of stock options					-									-		-
Minority transfer to reserves														-		-
Amortised Amount of Stock Compensation Cost (net)					-									-		-
Dividends														-		-
Tax on Dividend														-		-
IND AS 116 transition impact														-		-
Transfer to / from during the period		-	-			-	-	-	-	(1)				(1)		(1)
Balance at the end of reporting period March 31, 2025	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(8,390,260)**	**-**	**-**	**-**	**(8,390,260)**	**-**	**(8,390,260)**
As per Hyperion	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(8,390,260)**	**-**	**-**	**-**	**(8,390,260)**	**-**	**(8,390,260)**
Difference (this should be zero)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Note - 8

Other Financial Liabilities

Currency USD

Particulars	As at 31-Mar-25	As at 31-Mar-24
Current:		
Current maturities of long-term loans (secured)	**-**	-
Current maturities of long-term loans (Unsecured)	**-**	-
Current maturities of finance lease obligations	**-**	-
Current maturities of long term debt (Secured Debentures)	**-**	-
Interest payable on Borrowings	**-**	-
Unclaimed dividends	**-**	-
Foreign currency Derivatives Liabilities	**-**	-
Financial guarantee Contracts Current	**-**	-
Creditors for Capital Supplies/services	**-**	-
Contractual Obligation	**-**	-
Contractual Obligation for Buyback	**-**	-
Contingent consideration on acquisitions	**-**	-
ROU Liability	**-**	-
Discounts payable to Customers	**-**	-
Accrued Salaries and Benefits	**(29,823)**	-
Total	**(29,823)**	-

Note - 9

Other Income

Currency USD

Particulars	For the period ended 31-Mar-25	For the period ended 31-Mar-24
Interest Income		
- On Bank deposits	**-**	-
- Other financial assets carried at amortised cost	**6,540**	-
Dividend Income on Non Current Investment	**-**	-
Dividend Income on Current Investment	**-**	-
Profit on Sale of Current Investments	**-**	-
Profit on Sale of Non Current Investments	**-**	-
Profit/ (Loss) on sale of Property, Plant & Equipments	**-**	-
Rental income		
- From Investment property	**-**	-
- Others	**-**	-
Foreign Exchange gain/(loss) net	**(2,419)**	(136)
Provision for non-current investments no longer required	**-**	-
Gain/ (Loss) on Investment carried at Fair value through Profit & Loss	**-**	-
Sundry Balances Written Back	**(4)**	-
Miscellaneous Income**	**-**	-
Total Other Income	**4,117**	(136)

Please provide the Breakup / further details:

Table 1 : Miscellaneous Income**

Currency USD

Particulars	31-Mar-25	31-Mar-24
Total	**-**	-

Note - 10

Employee Benefits Expense

Currency USD

Particulars	For the period ended 31-Mar-25	For the period ended 31-Mar-24
Salaries and Wages, including bonus	**475,439**	-
Contribution to Provident and other Funds	**32,643**	-
Gratuity	**-**	-
Share Based Payments to Employees	**-**	-
Staff Welfare Expenses	**-**	-
Total	**508,082**	-

Note - 11

Finance Cost

Currency USD

Particulars	For the period ended 31-Mar-25	For the period ended 31-Mar-24
Interest On Debentures And Long Term Loans	**-**	-
Interest On Short Term Loan & Cash Credits	**-**	-
Interest On Loans From Related Parties	**-**	-
Other Interest Expense	**-**	861
Finance Cost related to Lease Liability	**-**	-
Cash Discount	**-**	-
Total finance costs	**-**	861

Note - 12

Other Expenses

Currency USD

Particulars		For the period ended 31-Mar-25	For the period ended 31-Mar-24
Power & Fuel Expenses		**-**	-
Rent		**-**	-
Rates and taxes		**-**	-
Communication Expenses		**-**	-
Travelling Expenses		**1,055**	-
Recruitment Expenses		**-**	-
Training		**-**	-
Hire Charges		**-**	-
Legal and other professional costs		**-**	-
Repair and maintenance Expenses			
- Buildings (including leased premises)		**-**	-
- Machinery and Computers		**-**	-
- Others		**-**	-
Insurance charges		**-**	-
Software, Hardware and Project Specific Expenses		**-**	-
Claims and Warranties (Net)		**-**	-
Advertisement, Promotion & Selling Expenses		**595,085**	507,399
General Office Expenses		**-**	-
Allowance for Doubtful Receivables, Unbilled Revenue and Bad Debts written off		**149,333**	-
- Provided during the quarter	150,833		-
- Bad Debts written off	-		-
- Less: Provision reversed during the period	(1,500)		-
Provision for Doubtful Advances, Deposits and Advances written off		**-**	-
- Provided during the quarter	-		-
- Bad Debts written off	-		-
- Less: Provision reversed during the period	-		-
Donation		**-**	-
Corporate Social Responsibility Expenditure		**-**	-
Provision for Impairment of Goodwill		**-**	-
Fair Value Change in Contractual Liability		**-**	-
Miscellaneous Expenses		**7,490**	677
Total		**752,963**	508,076

TECH MAHINDRA NETWORK SERVICES INTERNATIONAL INC.

Board of Directors
Mr. Guru Prasad R Iyengar
Mr. Manish Mangal

Business Office
5850 Granite Parkway
Suite 1200, Plano
Texas-75024,
United States of America

Bankers
Citi Bank
J P Morgan

Auditors
Grant Thornton Bharat LLP

DIRECTORS' REPORT

To

The Shareholders

Your directors present their Report together with the audited accounts of your Corporation for the year ended March 31, 2025.

Financial results:

For the year ended March 31,	**2025 USD (IN '000)**	**2024 USD (IN '000)**
Income	**127,649**	180,576
Profit/(Loss) before tax	**941**	4201
Profit/(Loss) after tax	**(561)**	(947)

Review of Operations:

During the year under review, the Corporation recorded a loss of US$ 561 thousand after tax.

Dividends:

During the year under review, no dividend is recommended.

Directors:

Mr. Guru Prasad R Iyengar and Manish Mangal are the members of the Board of Directors.

Outlook for the current year:

The Corporation continues to explore opportunities to optimize and sustain its existing operations and administrative infrastructure in the coming years.

Acknowledgements:

Your directors gratefully acknowledge the contributions made by the employees towards the success of the Corporation. Your directors also thank the customers, suppliers, bankers, State and Federal Government Authorities and the shareholder/s for the co-operation and assistance received from them.

Manish Mangal

Director

Place: Plano, Texas

Date: May 27, 2025

INDEPENDENT AUDITOR'S REPORT

Board of Directors

Tech Mahindra Network Services International Inc.

Opinion

We have audited the consolidated financial statements of Tech Mahindra Network Services International Inc (a Delaware corporation) and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of March 31, 2025 and 2024, and the related consolidated statement of profit & loss, comprehensive (loss)/income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, based on our audit and the report of the other auditors, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2025 and 2024, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial information of, LCC Acquisition Holdings B.V., a division of LCC Europe B.V. and of Leadcom Integrated Solutions International B.V. and its subsidiaries, which reflect total assets constituting 64.90% and 58.86% respectively of consolidated total assets as at March 31, 2025 and 2024 respectively, and total revenues constituting 62.91% and 60.89% of consolidated total revenues for the years then ended. Those financial statements were audited by other auditors, whose report has been furnished to us and our opinion, insofar as it relates to the amounts included, is based solely on the report of the other auditors.

Basis for opinion

We conducted our audits of the consolidated financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS). 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 required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of management for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the consolidated financial statements are issued.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- 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. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Grant Thornton Bharat LLP

Place: Kolkata, India
Date: May 20, 2025

CONSOLIDATED BALANCE SHEET

(All amounts in US$ '000s, unless otherwise stated)

	Notes	March 31 2025	March 31 2024
Assets			
Current assets			
Cash and cash equivalents		**$ 33,933**	$ 34,937
Restricted cash		**407**	163
Trade receivables, net of allowance for doubtful accounts of $ 6,684 and $ 6,343	3	**21,328**	32,938
Unbilled revenue	3	**1,215**	1,474
Contract assets, net	3	**14,247**	21,541
Inventories, net		**1,802**	3,314
Prepaid expenses and other current assets		**11,417**	12,239
Due from related parties	11	**6,509**	5,108
Total current assets		**$ 90,858**	$ 111,714
Non-current assets			
Property and equipment, net	4	**$ 2,538**	$ 3,287
Advance income taxes		**2,212**	1,703
Deferred income tax assets	7	**4,702**	3,563
Goodwill	5	**3,443**	3,443
Other intangibles, net	5	**280**	866
Operating lease right-of-use assets (net)	8	**3,779**	4,316
Other non current assets		**373**	257
Total assets		**$ 108,185**	$ 129,149
Liabilities and shareholders' equity			
Lines of credit	6	**$ 2,722**	**$** 31,392
Short term borrowings from related parties	6	**30,076**	24,172
Accounts payable		**6,285**	8,276
Accrued expenses		**22,101**	22,634
Accrued employee compensation and benefits		**4,608**	6,656
Deferred revenue		**644**	1,030
Income taxes payable		**320**	3,959
Operating lease liabilities	8	**1,819**	1,671
Obligations under Finance leases	8	**93**	80
Other current liabilities		**1,592**	604
Total current liabilities		**$ 70,260**	$ 100,474
Operating lease liabilities	8	**2,533**	3,184
Obligations under Finance leases	8	**101**	58
Deferred income tax liabilities	7	**1,756**	1,974
Other non current liabilities		**1,877**	4,925
Total liabilities		**$ 76,527**	$ 110,615
Commitments and Contingencies			
Shareholders' equity			
Common stock; $0 and $0 par value per share at March 31, 2025 and March 31, 2024, respectively; 200,000 shares and 100,000 shares authorized at March 31, 2025 and March 31, 2024, respectively; 154,280 and 82,800 issued and outstanding at March 31, 2024 and March 31, 2023, respectively		**$** -	$ -
Additional paid-in capital		**293,111**	277,111
Accumulated deficit		**(273,384)**	(272,823)
Accumulated other comprehensive income		**11,931**	14,225
Non-controlling interest		**-**	21
Total shareholders' equity		**$ 31,658**	$ 18,534
Total liabilities and shareholders' equity		**$ 108,185**	$ 129,149

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF PROFIT & LOSS

(All amounts in US$ '000s, unless otherwise stated)

	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Revenues		**$ 127,649**	$ 180,576
Cost of revenues		**103,816**	144,697
Gross profit		**$ 23,833**	$ 35,879
Operating expenses			
Sales and marketing		**$ 2,940**	$ 2,347
General administrative and Other expenses		**16,495**	22,176
Depreciation and amortization	4 & 5	**1,748**	3,362
Total operating expenses		**$ 21,183**	$ 27,885
Profit before other income (expenses) and income taxes		**$ 2,650**	$ 7,994
Other income/(expense)			
Interest income		**563**	674
Interest expense		**(1,795)**	(2,497)
Others		**(477)**	(1,970)
Total other expense, net		**$ (1,709)**	$ (3,793)
Profit before income taxes		**941**	4,201
Income tax expense	7	**1,502**	5,148
Net Profit/(loss) attributable to shareholders		**$ (561)**	$ (947)

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE (LOSS)/INCOME

(All amounts in US$ '000s, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
Net Gain/(loss)	**$ (561)**	$ (947)
Other comprehensive (loss)/income :		
Change in fair value of interest rate swap	**(1,953)**	(1,117)
Change in foreign currency translation reserve	**(341)**	2,571
Total Comprehensive gain	**$ (2,855)**	$ 507

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

(All amounts in US$ '000s, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
Operating activities		
Net Profit/(loss)	**$ (561)**	$ (947)
Adjustments to reconcile net loss to net cash generated from operating activities:		
Depreciation and amortization	**1,748**	3,362
Deferred income taxes	**(1,597)**	260
Provision for doubtful accounts	**(463)**	4,471
Interest accrued	**46**	99
Loss/(Gain)on disposal of fixed assets	**(6)**	33
Changes in current and non current assets and liabilities:		
Trade, unbilled, and other receivables incl related party dues	**14,703**	1,255
Accounts payable and accrued expenses	**(842)**	392
Inventories	**1,512**	(1,920)
Operating lease right-of-use assets and operating lease liabilities	**34**	1,188
Other current and non current assets	**(148)**	(2,174)
Other current and non current liabilities	**(6,842)**	(1,483)
Net cash generated from operating activities	**$ 7,584**	$ 4,536
Investing activities		
Purchase of property and equipment including other intangible assets	**$ (255)**	$ (723)
Proceeds from sale of property and equipment	**27**	1,132
Investment of short term bank deposits	**(105)**	—
Net cash generated from/(used in) investing activities	**$ (333)**	$ 409
Financing activities		
Repayment of finance lease obligation	**(120)**	(107)
Proceeds from issuance of common stock	**16,000**	—
Proceeds from bank loan	**185**	—
Repayment of bank loan	**(29,442)**	(4,187)
Proceeds of Loans from related parties	**5,712**	—
Repayment of Loans from related parties	**—**	(953)
Net cash used in financing activities	**(7,665)**	(5,247)
Effect of exchange rate changes on cash and cash equivalents and restricted cash	**$ (346)**	$ (1,490)
Net (decrease) / increase in cash and cash equivalents and restricted cash	**(760)**	(1,792)
Cash and cash equivalents and restricted cash at the beginning of the period	**35,100**	36,892
Cash and cash equivalents and restricted cash at the end of the period	**$ 34,340**	$ 35,100
Reconciliation of Cash and Cash equivalents and Restricted Cash		
Cash and Cash equivalents	**33,933**	34,937
Restricted Cash	**407**	163
	$ 34,340	$ 35,100

	Year ended March 31, 2025	Year ended March 31, 2024
Supplemental Disclosures:		
Cash paid during the period for:		
Interest	**$ 3,529**	$ 3,718
Income taxes	**6,570**	6,282
Cash received during the period for:	**$ 533**	$ 674
Interest	**$ (561)**	$ (947)
Supplemental Disclosures of Non-Cash Investing and Financing Activities:		
Fixed asset additions under finance lease	**$ 155**	$ 84
Operating lease right-of-use assets obtained in exchange for lease liabilities	**1,528**	610

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(All amounts in US$ '000s, unless otherwise stated)

	Common stock				Additional paid in capital	Accumulated deficit	Accumulated other comprehensive income		Total shareholders' equity
	Authorized		Issued and outstanding				Foreign currency translation reserve	Hedging reserve	
	Shares	Amount	Shares	Amount	Amount	Amount	Amount	Amount	Amount
Balance at March 31, 2023	100,000	$ -	82,800	$ 3	$ 277,108	$ (271,876)	$ 9,701	$ 3,070	$ 18,006
Shares issued/(transferred) during the year	-			(3)	3			-	-
Net Gain/(loss)	-	-	-	-	-	(947)	-	-	(947)
Change in fair value of interest rate swap	-	-	-	-	-		-	(1,117)	(1,117)
Change in foreign currency translation reserve	-	-	-	-	-		2,571	-	2,571
Balance at March 31, 2024	100,000	$ -	82,800	$ 0	$ 277,111	$ (272,823)	$ 12,272	$ 1,953	$ 18,513
Shares issued/(transferred) during the year	100,000	-	71,480	-	16,000	-	-	-	16,000
Net Gain/(loss)	-	-	-	-	-	(561)	-	-	(561)
Change in fair value of interest rate swap	-	-	-	-	-	-	-	(1,953)	(1,953)
Change in foreign currency translation reserve	-	-	-	-	-	-	(341)	-	(341)
Balance as at March 31, 2025	**200,000**	**$ -**	**154,280**	**$ 0**	**$ 293,111**	**$ (273,384)**	**$ 11,931**	**$ -**	**$ 31,658**

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 —DESCRIPTION OF OPERATIONS AND BASIS OF PRESENTATION

Tech Mahindra Network Services International Inc. (“TMNSI”), a Delaware corporation, was formed in March 2010 and is headquartered in Plano, Texas. Unless the context indicates otherwise, the term “Company” refers herein to TMNSI and its subsidiaries.

Tech Mahindra (Americas), Inc., which is a wholly owned subsidiary of Tech Mahindra Limited (“Tech Mahindra”) acquired Lightbridge Communications Corporation (former holding company of TMNSI) effective 1st January 2015.

Effective January 1, 2023, Lightbridge Communications Corporation, merged into its wholly owned subsidiary Tech Mahindra Networks Services International Inc. (TMNSI). The merger was through common control transactions.

TMNSI conducts business through its direct and indirect wholly owned subsidiaries that provide services in North America, Europe, Middle East and Africa, Latin America, and Asia.

The Company provides integrated end-to-end solutions for wireless voice and data communications networks with offerings ranging from high level technical consulting to system design and optimization services, ongoing operations and maintenance services, and deployment services. The Company uses initial opportunities to provide high-level technical consulting services to secure later-stage system design and network optimization contracts. Engagements to provide design services also create opportunities for the Company to propose operations and maintenance projects including network optimization contracts as well as other services. The Company’s technical consulting, system design and network optimization practices position it to capitalize on additional opportunities as new technologies are developed and wireless service providers upgrade their existing networks, deploy the latest available technologies, and respond to changes in how customers use wireless services.

The accompanying consolidated financial statements include the results of TMNSI and its direct and indirect wholly owned subsidiaries. Intercompany transactions and balances have been eliminated in the consolidated financial statements. Investments in entities in which the Company does not have majority ownership have been accounted for using the equity method of accounting. The share of profit / loss of the associate company has been adjusted to the cost of investment in the associate, as per the ‘Equity method’.

Liquidity

As of March 31, 2025, the Company had an accumulated deficit of $ 273,384 (March 31, 2024 $ 272,823) and the Company has made a net Loss of $ 561 for the year ended March 31, 2025 (March 31, 2024 net Loss $ 947). The Company had cash inflow from operations of $ 7,584 for the year ended March 31, 2025 (March 31, 2024 $ 4,536). As of March 31, 2025, the Company has approximately $ 32,798 short-term borrowings (March 31, 2024 $ 55,564), and the most significant of which is from CJS Solutions Group LLC scheduled to mature at agreed intervals from August 2025. The borrowings under these facilities are guaranteed by Tech Mahindra Limited, the ultimate holding company, or funded by its related parties. See Note 6, Borrowings. Management has prepared projections and believes that cash flows from operations, existing cash on hand, available cash under existing credit facilities, plus availability of cash, if needed, from Tech Mahindra Limited will be adequate to fund the Company’s cash requirements for the foreseeable future. Accordingly, the financial statements for the year ended March 31, 2025, has been prepared on a going concern basis.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

Significant accounting policies are as follows:

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Estimates are used in accounting for, among other things, revenue recognition on contracts, allowance for doubtful accounts, inventory obsolescence, accrual of income taxes, recoverability of investments in affiliates, goodwill and other intangible assets and discounting of lease liability. Although these estimates are based upon management’s best knowledge of current events and actions, actual amounts may differ from estimates.

Cash and Cash Equivalents and Restricted Cash

Cash and cash equivalents include all highly liquid investments purchased with original maturities of 90 days or less and short-term money market funds. The Company places its cash and cash equivalents with high-quality financial institutions.

Restricted cash includes margin money kept with the bank for Line of Credit.

At March 31, 2025 and March 31, 2024, the Company had $ 33,933 and $ 34,793 of cash in foreign bank accounts, respectively.

Concentration of Credit Risk

Financial instruments that potentially expose the Company to the concentration of credit risk consist primarily of trade receivables, cash and cash equivalents and restricted cash. The Company sells services globally. Generally, the Company does not require collateral or other security to support customer receivables. The Company performs ongoing credit evaluations of its customers' financial condition and maintains an allowance for doubtful accounts related to potential credit losses. The Company had the following significant concentrations of trade receivables including unbilled revenue and contract assets from customers including within United States of America at March 31, 2025 and March 31, 2024:

	March 31	
	2025	**2024**
Middle East/Africa	**$ 29,358**	$ 42,376
Americas	**5,169**	9,205
Rest of the world	**2,263**	4,372

The Company's existing and potential customer base is diverse and includes domestic and foreign telecommunications carriers, equipment manufacturers and foreign enterprises. The Company derived approximately 72% and 65% of its revenues from ten customers for the year ended March 31, 2025 and 2024, respectively. The Company has approximately 78% and 77% of its trade receivable (including unbilled revenue) from top ten customers as of March 31, 2025 and 2024, respectively. Individually, one of these top ten customers comprised 10% and 9% of total revenue for the year ended March 31, 2025 and 2024 respectively. Individually, one of these top ten customers of the Company had net receivable balance (including unbilled revenue) at 19% and 18% of total receivables as of March 31, 2025 and 2024, respectively.

At times, the Company maintains cash balances in financial institutions, which may exceed federally insured limits. The Company has not experienced any losses in its accounts and believes it is not exposed to a significant credit risk on its cash and cash equivalents. As at March 31, 2025, the Company has Nil [2024: NIL] as balances in excess of the federally insured amounts.

Although the Company believes that the diversity of its customer base may minimize the risk of incurring material losses due to concentrations of credit risk, the Company may be exposed to a declining customer base in periods of market downturns, severe competition, exchange rate fluctuations or other international developments.

Fair Value Measurements

The carrying amounts reported in the consolidated balance sheet for cash and cash equivalents, trade receivable, notes payable, accounts payable and accrued expenses and certain other current liabilities approximate fair value due to the immediate to short-term maturity of these financial instruments.

The Company follows the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, Fair Value Measurements and Disclosures, for financial assets and liabilities measured on a recurring basis. ASC 820 applies to all financial assets and financial liabilities that are being measured and reported on a fair value basis. ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

In determining fair value, the Company uses various valuation approaches, including market, income and/or cost approaches. ASC 820, Fair Value Measurements and Disclosures establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Company.

Unobservable inputs are inputs that reflect the Company's assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. Financial assets and liabilities which are recorded at fair value in the accompanying financial statements are categorized based upon the level of judgment associated with the inputs used to measure their fair value. The levels are directly related to the amount of subjectivity associated with the inputs to fair valuation of these assets and liabilities, and are as follows:

Level 1 – Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Valuation adjustments and block discounts are not applied to Level 1 instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuations of these products do not entail a significant degree of judgment.

Level 2 – Inputs other than quoted prices included in Level 1, which are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active. The Company's interest rate swaps are valued using level 2 inputs.

Level 3 – Unobservable inputs that reflect the reporting entity's own assumptions.

Assets and Liabilities Measured at Fair Value

The following table sets forth the Company's assets and liabilities that were accounted for at fair value as of March 31, 2025 and 2024

As at March 31, 2025

Assets	**Level 1**	**Level 2**	**Level 3**
Derivative Assets	-	-	-
Total	-	-	-

As at March 31, 2024

Assets	**Level 1**	**Level 2**	**Level 3**
Derivative Assets	-	1,953	-
Total	-	1,953	-

Inventories

Cost represents purchase price from third party invoice/s and other costs directly related to bringing the inventory to their current location and condition. As at March 31, 2025, inventories are composed of $ 2,192 and at March 31, 2024, inventories were, $ 4,541.

The allowance for obsolete and slow-moving inventory as at March 31, 2025 and as at March 31, 2024 was $ 390 and $ 1,227 respectively.

Property, Equipment and Software

Property and equipment are stated at cost, less an allowance for depreciation and amortization.

Assets under finance lease obligations are recorded at lower of the present value of the minimum lease payments or the fair market value of the leased asset, at the inception of the lease.

Replacements and major improvements are capitalized; maintenance and repairs are charged to expense as incurred.

Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets per the table below.

Computer and electronics	3 years
Software	3 years
Machinery and equipment	3 to 7 years
Furniture and office equipment	3 to 15 years
Office building	20 years
Leasehold improvements	Shorter of the term of the lease or estimated useful life
Vehicles	3 to 5 years

Expenditure for maintenance and repairs are expensed as incurred. When assets are retired or otherwise disposed of, the cost of the asset and related accumulated depreciation and amortization are eliminated from the financial records. Any gain or loss on disposal is credited or charged to the statement of operations.

Impairment of Long-Lived Assets

The Company's policy is to review its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable in accordance with ASC 360, Property Plant and Equipment. The Company recognizes an impairment loss when the sum of the expected undiscounted future cash flows is less than the carrying amount of the asset. The measurement of the impairment losses to be recognized is based upon the difference between the fair value and the carrying amount of the assets.

Goodwill and Other Intangible Assets

Goodwill and other intangible assets acquired in a business combination and determined to have an indefinite useful life are not amortized, but instead tested for impairment at least annually in accordance with the provisions of ASC 350, Intangibles - Goodwill and Other (ASC 350). ASC 350 also requires that intangible assets with estimable useful lives be amortized over their respective estimated useful lives to their estimated residual values and reviewed for impairment. Goodwill represents the excess of cost over the fair value of identifiable net assets acquired. The Company tests goodwill for impairment on an annual basis as of March 31. In addition, goodwill and other intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.

The goodwill and indefinite-lived intangibles impairment test consists of a two-step process, if necessary. The Company first assesses qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill and indefinite-lived intangibles impairment test. The more likely than not threshold is defined as having a likelihood of more than 50 percent. This evaluation includes macroeconomic and industry and market specific considerations, financial performance indicators and measurements, and other factors. If, after assessing the totality of events or circumstances, the Company determines that it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then performing the two-step impairment test is unnecessary, and goodwill and other indefinite-lived intangible assets are considered to be unimpaired. However, if based on the Company's qualitative assessment, it concludes that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, the Company will proceed with performing the two-step process. The Company performed a qualitative assessment as of March 31, 2025 and concluded that it was more likely than not that goodwill and indefinite-lived intangible assets were not impaired.

The first step of the impairment test involves comparing the fair value of the reporting unit to its net book value, including goodwill. If the net book value exceeds its fair value, then the Company would perform the second step of the goodwill impairment test to determine the amount of the impairment loss. The impairment loss would be calculated by comparing the implied fair value of the Company to its net book value. In calculating the implied fair value of the Company's goodwill, the fair value of the Company would be allocated to all the other assets and liabilities based on their fair values. The excess of the fair value of the Company over the amount assigned to its other assets and liabilities is the implied fair value of goodwill. An impairment loss would be recognized when the carrying amount of goodwill exceeds its implied fair value. There have been no impairments of goodwill or indefinite-lived intangible assets recorded in the Company's consolidated statement of operations during the year ended March 31, 2025 and March 31, 2024.

Allowance for Doubtful Accounts

Effective April 1, 2023, the Company has adopted, Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2022-02 Financial Instrument – Credit losses (ASC – 326), which changes the methodology to be used to measure credit losses for certain financial instruments and financial assets, including trade receivables. The new methodology requires the recognition of an allowance that reflects the current estimate of credit losses expected to be incurred over the life of the financial asset.

Accounts receivables are stated at the net amount expected to be collected. The allowance for doubtful accounts reflects the current estimate of expected credit losses to be incurred over the life of the accounts receivable. The company considers various factors in establishing, monitoring, and adjusting its allowance for doubtful accounts, including the aging of the accounts and aging trends, the historical level of charge-offs, and specific exposures related to customers. The company also monitors other risk factors and forward-looking information, when determining credit limits for customers and establishing adequate allowances. The allowance for doubtful debts was $ 6,685 and $ 6,343 as on March 31, 2025 and March 31, 2024 respectively.

Revenue Recognition

The Company's principal sources of revenue are consulting, integration, operations and solutions.

Revenue is recognized upon transfer of control of contracted 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.

The Company recognizes revenues from fixed-price contracts using the percentage-of-completion method and proportional performance method based on nature and terms of the contract with customers. Under proportional performance method, revenue from services is recognized in accounting periods in which the services are rendered, by reference to completion of the specific transaction, assessed on the basis of the actual service provided as a proportion of the total services to be provided. Depending on the nature of the contract, revenue is recognized based on the proportion of the contract term completed, or the specific services provided to date.

Under the percentage-of-completion method, revenues are recognized based on the ratio of individual contract costs incurred to date on a project compared with total estimated contract costs. The Company compares costs incurred to date to progress achieved against project milestones to determine if the percentage of completion is reasonable. Anticipated contract losses are recognized as soon as they become known and estimable.

The Company recognizes revenues on time and materials contracts as the services are performed i.e., based on time / efforts spent.

In deployment projects, the Company generally receives purchase orders for individual cell sites based on agreed upon fixed prices for types of standard cell sites. Non-standard services related to a cell site are priced on a variable basis using either agreed upon rates per hour or a rate schedule for such non-standard services. Deployment of cell sites may take up to several months and revenues and costs are recognized on a percentage of completion basis based upon the Company's engineering estimates.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (under current assets) when there is an unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue is recognized when there is billing in excess of revenues, under current liabilities. The billing schedules agreed with customers include periodic performance - based payments and / or milestone - based progress payments. Invoices are payable within contractually agreed credit period.

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, the transaction price is revised for an existing obligation, a cumulative adjustment is accounted for. There are no material contract acquisition costs incurred by the Company.

Use of significant estimates and judgements

Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended are 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.

Disaggregation of revenue:

The Company disaggregates revenue from contracts with customers by geography and contract-type, as it believes it best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by industry, market and other economic factors. Revenues are attributed to geographic regions based upon client location.

The following tables set forth reported revenue by geography and contract type:

Geographic Location	Year ended 31 March 2025	Year ended 31 March 2024
Middle East / Africa	**69,223**	105,568
Americas	**45,357**	58,672
Rest of the world	**13,069**	16,336
Total	**127,649**	180,576

Type of Contract	Year ended 31 March 2025	Year ended 31 March 2024
Fixed Price including milestone	**91,971**	132,181
Time and Materials	**35,678**	48,395
Total	**127,649**	180,576

Income Taxes

Income taxes are determined in accordance with ASC 740, Income Taxes. Under this guidance, temporary differences arise as a result of the differences between the reported amounts of assets and liabilities and their tax basis. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Deferred tax assets and liabilities of different jurisdictions are not offset.

The Company recognizes the financial statement effect of an income tax position when it is more likely than not, based on technical merits, that the position will be sustained upon examination by a taxing authority. Recognized tax positions are initially and subsequently measured as the largest amount of tax benefit that is more likely than not of being realized upon ultimate settlement with the relevant taxing authority. The Company has chosen to treat interest and penalties related to uncertain tax liabilities as income tax expense and as an increase to the income tax liability. For the year ended March 31, 2025 and March 31, 2024, the Company did not record any interest or penalties related to uncertain tax positions.

As a subsidiary of Tech Mahindra (Americas), Inc., with whom the Company files consolidated federal and state returns, the Company calculates the provision for income taxes by using a “benefits-for-loss” method. Under this method, the Company and its subsidiaries are assumed to file a separate return with the tax authority, thereby reporting the taxable income or loss and paying the applicable tax to or receiving the appropriate refund from Tech Mahindra (Americas), Inc. as if the Company and all of its subsidiaries were separate taxpayers, except that the net operating losses (or other current or deferred tax attributes) are characterized as realized (or realizable) by the Company and its subsidiaries when those tax attributes are realized by the consolidated group even if the Company and its subsidiaries would not otherwise have realized the attributes on a stand-alone basis. The Company’s intercompany tax-related receivable from Tech Mahindra (Americas), Inc. are Nil and $ Nil at March 31, 2025 and March 31, 2024, respectively.

Certain of the Company’s international operations are subject to local income taxes. Currently, the Company is subject to taxation on income from certain operations in Europe, Latin America, Africa, the Middle East and the non-U.S. portions of North America where the Company has subsidiaries, has established branch offices or has performed significant services that constitute a “permanent establishment” for tax reporting purposes. The foreign taxes paid or accrued by the Company may represent a potential credit for the Company against U.K. or U.S. federal income taxes.

Foreign Currency Translation

The Company’s foreign operations are subject to exchange rate fluctuations and foreign currency transaction costs. The majority of the Company’s foreign transactions are denominated in Euro and Saudi Riyals.

The financial statements of the Company’s foreign subsidiaries have been translated into U.S. dollars in accordance with ASC 830-30, Translation of Financial Statements. For foreign operations with the local currency as the functional currency, assets and liabilities denominated in non-U.S. dollar functional currencies are translated using the period-end spot exchange rates. Revenues and expenses are translated at monthly-average exchange rates. Capital accounts are translated at

historical exchange rates. The current period effects of translating operations with a functional currency other than the reporting currency are reported within the statement of comprehensive income (loss) with accumulated effects presented as a component of accumulated other comprehensive income (loss) within the consolidated statement of changes in shareholders' equity. The determination of functional currency is based on the subsidiary's relative financial and operational independence from the Company's US based parent.

The Company is also subject to foreign currency transaction gains or losses due to inter-company payables and receivables denominated in foreign currency. For the year ended March 31, 2025 and March 31, 2024, these balances generated a foreign exchange loss of $ 23 and gain of $ 212, respectively. These amounts are included in other income/(expense) in the consolidated statement of operations.

Other Comprehensive Income/(Loss)

Comprehensive income/(loss) is defined as net income/(loss) plus the changes in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. Other comprehensive income/(loss) refers to revenues, expenses, gains and losses that under U.S. GAAP are included in comprehensive income/(loss) but excluded from net income (loss).

Derivative Instruments

The Company records derivatives at fair value. The designation of a derivative instrument as a hedge and its ability to meet the hedge accounting criteria determine how the Company reflects the change in fair value of the derivative instrument within its consolidated financial statements. A derivative qualifies for hedge accounting if, at inception, the Company expects that the derivative will be highly effective in offsetting the underlying hedged cash flows and the Company fulfills the hedge documentation standards at the time it enters into the derivative contract.

The Company designates a hedge as a cash flow hedge based on the exposure it is hedging. For the effective portion of qualifying cash flow hedges, the Company records changes in fair value in other comprehensive income/(loss) ("OCI"). The Company reviews the effectiveness of its hedging instruments quarterly. The Company manages its exposure to the interest fluctuation risk by monitoring available financing alternatives, as well as through development and application of credit granting policies. As a matter of policy, the Company only enters into transactions that it believes will be highly effective at offsetting the underlying risk, and the Company does not use derivatives for trading or speculative purposes.

Leases:

Effective April 1, 2019, the Company has early adopted, with modified retrospective application, Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-02, "Leases (Topic 842)" (ASC 842), which replaces existing lease accounting rules (ASC 840) with a comprehensive lease measurement and recognition standard and expanded disclosure.

This update requires the recognition of lease assets and lease liabilities on the balance sheet for all lease obligations and disclosing key information about leasing arrangements. This update requires the recognition of lease assets and lease liabilities by lessees for arrangements that are classified as operating leases. The Company's operating leases resulted in the recognition of additional assets and the corresponding liabilities on its Consolidated Balance Sheet.

The Company determines whether an arrangement is a lease at contract inception by establishing if the contract conveys the right to control the use of identified property, plant and equipment for a period of time in exchange for consideration.

Right of Use (ROU) Assets and Lease Liabilities for operating leases are separately disclosed under non-current assets, current liabilities and non-current liabilities in the consolidated balance sheet as at March 31, 2025 and March 31, 2024. The ROU Assets represent the right to use an underlying asset for the lease term and lease liabilities represent an obligation to make lease payments arising from the lease. Commitments under finance leases are not significant, and are included in Property, plant and equipment, current liabilities, and non-current liabilities in the consolidated balance sheet as at March 31, 2025 and March 31, 2024.

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 an incremental borrowing rate. The lease expenses with original terms of one year or less are charged to the Consolidated Statement of Operations.

Recently issued accounting pronouncements:

In March 2024, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") No. 2024-02, Codification Improvements—Amendments to Remove References to the Concepts Statements. The standard will be effective for non-public companies for fiscal years beginning after December 15, 2025. The company is currently evaluating the potential impact of adoption of this ASU on its financial statements.

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures," which requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The standard is intended to benefit investors by providing more detailed income tax disclosures that would be useful in making capital allocation decisions. The standard will be effective for nonpublic companies for fiscal years beginning after December 15, 2025. The Company is currently evaluating the potential impact of adoption of this ASU on its financial statements.

In October 2023, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") No. 2023-06, "Disclosure Improvements-Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative." This ASU modified the disclosure and presentation requirements of a variety of codification topics by aligning them with the SEC's regulations. This guidance is effective for the Company no later than June 30, 2027. The Company is currently evaluating the potential impact of adoption of this ASU on its financial statements.

NOTE 3—TRADE RECEIVABLE

The Company is party to various long-term contracts for which significant revenues are recognized on the percentage-of-completion method. Certain of these contracts have large amounts of unbilled receivables associated with them and will be performed over a period of more than one year.

The Company is party to trade receivable factoring agreements with financial institutions in Europe, Middle East and Africa jurisdiction whereby the Company may sell eligible trade receivable. The Company accounts for these programs under ASC 860, Transfers and Servicing which requires that transferred assets have been isolated from the transferor, the transferee obtains the right to transfer or exchange the asset and the transferor does not maintain effective control over the transferred assets through an agreement that both entitles and obligates the transferor to repurchase or redeem the assets transferred in order to qualify as a sale. The Company's factoring arrangements do not meet all the criteria for sale accounting; hence those factoring arrangements are accounted for as secured borrowings. If the Company's factoring arrangement meets the criteria for sale accounting, those factoring arrangements are accounted as adjustment of trade receivables.

There are no restrictions on assets reported by an entity in its balance sheet that relate to a transferred financial asset, including the carrying amounts of those assets. There are no servicing assets and servicing liabilities to be reported. There are no material transaction costs incurred by the Company on factoring transactions. The Company accounts for factoring arrangements as secured borrowings since the transferor has continuing involvement with the transferred financial assets.

The Company is party to a factoring agreement (the "Bankinter Agreement") with Bankinter S.A., ("Bankinter") whereby the Company's Spanish subsidiary may sell its eligible accounts receivable to Bankinter on a revolving basis up to a maximum of Euros 500 (in '000s). Under the terms of the Bankinter Agreement, trade receivables are sold to Bankinter without recourse at 100% of their face value less interest of EURIBOR plus 2% and a commission of 0.50%. During the current year and previous year, there were no transfers of trade receivable. As of March 31, 2025, and March 31, 2024, the Company had unutilized limits of Euros 500 (in '000s) and Euros 500 (in '000s) (approximately $ 540 and $ 540), respectively, available under the Bankinter Agreement.

NOTE 4—PROPERTY AND EQUIPMENT

At March 31, 2025 and 2024, property and equipment consisted of the following:

	March 31	
	2025	**2024**
Computer and electronics	**$ 2,222**	$ 3,601
Machinery and equipment	**7,595**	9,412
Furniture and office equipment	**2,003**	2,268
Office building	**2,293**	2,285
Leasehold improvements	**3,474**	3,702
Vehicles	**2,581**	3,046
Property and equipment	**20,168**	24,314
Less: accumulated depreciation and amortization	**(17,630)**	(21,027)
Property and equipment, net	**$ 2,538**	3,287

Property and equipment include vehicles and machinery and equipment under finance lease amounting to $ 707 and $ 2,695 as of March 31, 2025 and March 31, 2024 respectively. Accumulated depreciation for vehicles and machinery and equipment under finance lease amounted to $ 536 and $ 2,571 as of March 31, 2025 and March 31, 2024 respectively.

Depreciation and amortization expense related to property and equipment for the year ended March 31, 2025 and 2024 was $ 1,087 and $ 791, respectively.

NOTE 5—GOODWILL AND INTANGIBLE ASSETS

As of March 31, 2025 and 2024, intangible assets consisted of the following:

	March 31	
	2025	**2024**
Goodwill	**$ 3,443**	$ 3,443
(Beginning and end of the year)		
Other intangible assets:		
Customer relationships	**18,558**	33,339
Backlog	**308**	308
Trade names	**456**	6,689
Patents	**48**	48
Software	**4,777**	4,705
Total other intangible assets	**24,147**	45,089
Less: Accumulated amortization		
Customer relationships	**(18,442)**	(32,810)
Backlog	**(308)**	(308)
Trade names	**(456)**	(6,534)
Patents	**(48)**	(48)
Software	**(4,613)**	(4,523)
Accumulated amortization	**(23,867)**	(44,223)
Other intangible assets, net	**$ 280**	$ 866

The Company reviews its definite-life intangible assets for impairment, in accordance with ASC 350 - Intangibles - Goodwill and Other. The result of this review identified no impairment of the intangible assets as of March 31, 2025 and 2024.

Amortization expense related to intangibles was $ 661 and $ 2,571 for the year ended March 31, 2025 and 2024, respectively. The weighted average amortization period is 12 years for customer relationships; 10 years for patents; 10 years for trade names; 1.5 years for backlog and 4 years for software.

The following summarizes expected amortization expense for each of the five succeeding years:

March 31, 2026	108
March 31, 2027	100
March 31, 2028	72
	$ 280

NOTE 6—BORROWINGS

Unsecured Credit Facilities

The aggregate maturities (inclusive of interest accrued and due) of all borrowings as of March 31, 2025 are as follows:

Year	Amount
2026	$ 32,798
	$ 32,798

As of March 31,2025 and 2024, the total outstanding borrowings, as discussed above, are as follows:

	March 31, 2025	March 31, 2024
	Amount	Amount
Loan Facilities		
Line of Credit		
Facility 1 - Working Capital – Mexico	**$ 2,503**	$ 27,617
Facility 2 – Other credit facilities	**$ 219**	$ 3,775
	$ 2,722	$ 31,392
Short term borrowings from related parties		
Loan - 1 CJS Solutions Group LLC	**$ 19,067**	$ 19,080
Loan - 2 Tech Mahindra (Americas) Inc	**$ 11,003**	$ 5,047
Loan - 3 Tech Mahindra Limited	**$ 6**	$ 45
Total	**$ 30,076**	$ 24,172
Total Short term borrowings having maturity less than one year	**$ 32,798**	$ 55,564

The Group's short-term borrowing arrangements are with various commercial banks. These lines of credit are having interest rate ranging between 5.08% to 15% p.a.

*The facility is unsecured. Tech Mahindra Limited serves as a guarantor for the facility.

The Company entered into multiple interest rate swaps agreements with JP Morgan to reduce exposure to interest rate fluctuations on its variable rate debt. Upon proper qualifications, these contracts are accounted for as cash flow hedges under current accounting standards and concluded as effective.

All derivative financial instruments are reported at fair value within the consolidated balance sheet. Changes in the fair value of derivative instruments designated as cash flow hedges approximated loss of $ 1,953 and loss of $ 1,117 for the year ended March 31, 2025 and 2024, respectively and are recorded in accumulated other comprehensive income/(loss), a component of shareholder's equity, to the extent they are effective. Changes in the fair value of derivative instruments designated as cash flow hedges approximated gain of $ Nil and gain of $ Nil for the year ended March 31, 2025 and 2024, respectively and are recorded in profit and loss, a component of shareholder's equity, to the extent they are ineffective. Based on the criteria established by current accounting standards, all the Company's cash flow hedge contracts are to be highly effective.

The following tables set forth the fair value of the interest rate swaps contract and its location on the consolidated financial statements.

Interest rate swaps	March 31, 2025	March 31, 2024
Other non-current assets (maturing after 12 months)	-	-
Prepaid expenses and other current assets	-	1,953

NOTE 7—INCOME TAXES

As a result of Tech Mahindra Group's acquisition of the Company in January 2015, the Company had filed its final consolidated federal income tax return which includes all of its US subsidiaries, for year ended December 31, 2014. The Company with all of its subsidiaries and associate became part of Tech Mahindra Group and a subsidiary of Tech Mahindra (Americas), Inc. and accordingly a group consolidated federal income tax return for Tech Mahindra (Americas), Inc. is filed after incorporating the details of the Company including its US subsidiaries, starting with period ended March 31, 2015.

The Company has subsidiaries that file tax returns in several foreign jurisdictions. TMNSI and its subsidiaries also file tax returns in local tax jurisdictions in many of the countries in which they do business. Many of the Company's subsidiaries' tax returns have been examined through various dates. Generally, the Company is currently open to audit under the statute of limitations by the Internal Revenue Service for the years ending March 31, 2022 to March 31, 2024. In addition, the Company is currently open to audit under the statute of limitations in various foreign jurisdictions for the tax years between 2012 and 2024**.**

The provision for income taxes for the year ended March 31, 2025 and March 31, 2024 consisted of the following:

	March 31, 2025	March 31, 2024
Current:		
Federal		107
State	**3**	71
Foreign	**3,096**	4,834
Total Current:	**3,099**	5,012
Deferred:		
Federal	**(752)**	3
State	**(221)**	-
Foreign	**(624)**	133
Total Deferred:	**(1,597)**	136
Total	**1,502**	5,148

Deferred income taxes, net includes the following components as of March 31, 2025 and March 31, 2024:

	March 31, 2025	March 31, 2024
Deferred taxes:		
Gross deferred tax assets	**40,308**	38,230
Less: valuation allowance	**(35,606)**	(34,667)
Deferred tax assets, net of Valuation Allowance	**4,702**	3,563
Gross deferred tax liabilities	**(1,756)**	(1,974)
Net deferred tax assets/(liabilities)	2,946	1,589

The Company believes that the deferred tax assets are realisable based on the Company's financial results for the year ended March 31, 2025 and March 31, 2024, projected future taxable income and tax planning strategies. The Company's deferred tax assets are primarily comprised of net operating losses of $ 37,357 and $35,509 at March 31, 2025 and March 31, 2024 respectively. The Company's deferred tax liabilities are primarily related to intangible assets recorded on the acquisition of Leadcom.

Pursuant to Section 382 of the Internal Revenue Code, the Company underwent an ownership change for tax purposes (i.e., a more than 50% change in stock ownership in aggregated 5% shareholder) as a result of the acquisition by Tech Mahindra (Americas), Inc.

The Company has U.S. operating loss carryforwards of $ 15,679 as of March 31, 2025 which expire beginning in 2029. Entire amount of $ 15,679 will be utilised within the period of Sec 382 limitation. The Company also has $ 88,236 of foreign net operating loss carryforwards, some of which can be carried forward indefinitely, subject to certain restrictions.

Foreign income tax expense is generated from business conducted in countries where the Company has subsidiaries or has established branch offices or has performed significant services that constitute a “permanent establishment” for tax reporting purposes. Foreign income tax also includes withholding tax on projects in countries where the Company does not have a registered presence.

The Company has made no provision for deferred U.S. income taxes or additional foreign taxes on any unremitted earnings of its controlled foreign subsidiaries because the Company considers these earnings to be permanently reinvested.

In determining the income tax valuation allowances, management considers whether it is unlikely that any portion of the deferred tax assets will be realized. Based on the Company’s financial results for the year ended March 31, 2025 and March 31, 2024, projected future taxable income and tax planning strategies, the Company decreased its valuation allowance on foreign and domestic net operating loss carry-forwards and other deferred tax assets by $ 938 during the year ended March 31, 2025.

As a subsidiary of Tech Mahindra (Americas), Inc., with whom the Company files consolidated federal and state returns, the Company calculates the provision for income taxes by using a “benefits-for-loss” method. The Company’s intercompany tax-related receivable from Tech Mahindra (Americas), Inc. are nil (nil towards deferred tax) and $ Nil (nil towards deferred tax) at March 31, 2025 and March 31, 2024 respectively.

NOTE 8 - LEASES

The Company is a party to operating and finance lease agreements primarily for office facilities, and vehicles expiring on various dates between year 2025 till year 2030. Some of the operating leases include one or more options to renew. The exercise of these renewal options is at Company’s sole discretion. Renewal options were included in the calculations of the operating lease ROU assets and operating lease liabilities when it is reasonably certain that such options will be exercised.

A. Components of lease costs for the year ended March 31, 2025 included in the Statement of operations are as follows:

Particulars	March 31, 2025	March 31, 2024
Operating lease cost	**2,475**	2,113
Finance lease cost:		
Depreciation of right-of-use assets	**114**	94
Interest on lease liabilities	**12**	21
Short term lease cost	**1,249**	1,476
Sub-lease income	**(738)**	(814)
Total lease cost	**3,112**	2,890

B. Cash paid for amounts included in measurement of lease liability:

Particulars	March 31, 2025	March 31, 2024
Operating cash flow towards finance leases (interest)	**12**	21
Operating cash flow towards operating leases	**2,054**	2,117
Financing cash flow towards finance leases	**118**	107
Right of use assets recognised in exchange for new finance lease liabilities	**155**	84
Right of use assets recognised in exchange for new operating lease liabilities	**1528**	610

C. Components of lease assets and liabilities as at March 31, 2025 included in the Balance Sheet are as follows:

Particulars - assets	March 31, 2025	March 31, 2024
Operating lease right-of-use assets	**3,779**	4,316
Finance leases:		
Property and equipment, at cost	**2,670**	2,695
Accumulated depreciation	**(2,499)**	(2,571)
Property and equipment, net	**171**	124

Particulars - liabilities	March 31, 2025	March 31, 2024
Operating lease:		
Current	**1,819**	1,671
Non-current	**2,533**	3,184
Finance lease:		
Current	**93**	80
Non-current	**101**	58

D. Weighted Average Remaining Lease term and Discount Rate:

Particulars	TMNSI (excluding Leadcom)	Leadcom	Average*
Weighted-Average Remaining Lease Term:			
Operating leases	2.17	3.64	2.90
Finance leases	-	2.27	1.14
Weighted-Average Discount Rate:			
Operating leases	2.39%	7.50%	4.94%
Finance leases	-	7.72%	3.86%

* Average has been derived by considering weighted average of TMNSI and Leadcom data.

E. The following table provides the schedule of maturities of operating and finance lease liabilities, under the New Lease Standard, as of March 31, 2025:

Particulars – Operating leases	March 31, 2025
2025-2026	**1,883**
2026-2027	**1,717**
2027-2028	**688**
2028-2029	**280**
2029-2030	**185**
Total lease payments	**4,753**
Less: Imputed Interest	**402**
Net	**4,351**

Particulars – Finance leases	March 31, 2025
2025-2026	**93**
2026-2027	**101**
Total lease payments	**194**
Less: Imputed Interest	**-**
Net	**194**

NOTE 9—HEALTH AND RETIREMENT PLANS

April 2024 to March 2025

Defined contribution plan

The Company's foreign subsidiaries participate in separate defined contribution retirement plans for which the Group made contributions on behalf of employees amounting to $ 2,733 and $ 3,341 for the year ended March 31, 2025 and 2024, respectively.

The following table sets out the unfunded status of the defined benefit plan.

	Year ended 31 March 2025	Year ended 31 March 2024
Change in the benefit obligation		
Projected Benefit Obligation ("PBO") at the beginning of the year	**5,535**	5,869
Service cost	**1,323**	1,414
Interest cost	**121**	147
Actuarial loss/(gain)	**34**	13
Benefits paid	**(4,308)**	(1,904)
Exchange loss/(gain)	**(56)**	(4)
PBO at the end of the year	**2,649**	5,535

Expense recognised in the statement of profit and loss	Year ended 31 March 2025	Year ended 31 March 2024
Service cost	**1,323**	1,414
Interest cost	**121**	147
Actuarial loss/(gain)	**34**	13
Total expense	**1,478**	1,574

The expected benefit payments during the next 10 years are given below:

Financial Year Expected benefit payments	As at March 31, 2025
2025-26	**497**
2026-27	**68**
2027-28	**61**
2028-29	**59**
2029-30	**58**
2030-31 to 2034-35	**278**

The assumptions used to determine net benefit cost were as follows:

	Year ended 31 March 2025	Year ended 31 March 2024
Discount rate (p.a.)	4.6% to 10.75%	5.1% to 9.25%
Rate of increase in compensation levels	0 % to 3%	1.5% to 3%

The Group evaluates these assumptions annually based on its long-term plans of growth and industry standards. The discount rates are based on market yields at the end of the reporting period on government bonds.

The Company's US group health benefits are self-insured for claims up to $ 350, per participant per plan year (individual stop loss) under the Tech Mahindra stop loss policy. It carries aggregate reinsurance capped at approximately $ 58,710 for the entire Tech Mahindra population, depending on the number of participants during the year and actual monthly enrollments.

The Company has not developed Ultimate Trend assumptions and therefore has also not developed the rate of change between current and ultimate trend periods.

Characteristics of the Company's non-US health benefits vary by region.

NOTE 10—SHAREHOLDERS' EQUITY

As of March 31, 2025, all the outstanding common stock issued by the Company are wholly owned by Tech Mahindra Americas, Inc. The share capital of the Company comprises of one class of equity shares with par value $ 0 per share. 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 the shareholding. The dividend, if proposed by the Board of Directors will be paid in $ and will be subject to approval of the shareholders.

NOTE 11—RELATED PARTY TRANSACTIONS

During the year ended March 31, 2025 and 2024, the Company had the following related party transactions with the below mentioned related parties.

1. **List of related parties and relationships (where there are transactions):**

   Ultimate Holding Company

   Tech Mahindra Limited

   Holding Company

   Tech Mahindra Americas, Inc.

   Fellow subsidiaries

   Tech Mahindra DE Mexico S DE RL DE CV
   Tech Mahindra GmbH
   Comviva Technologies FZ LLC
   Tech Mahindra Services De Informatica LTDA – Brazil
   CJS Solutions Group LLC
   Tech Mahindra Nigeria
   Tech Mahindra Oman
   Techmahindra Colombia Digital On Us
   TechMahindra Spain, S.L.

2. **Related party transactions**

Nature of Transaction	Name of Related Party	March, 31	
		2025	**2024**
Interest Expenses	Tech Mahindra Americas, Inc	**265**	347
	CJS Solutions Group LLC	**1,132**	1,056
Reimbursement of Services	Tech Mahindra Limited	**76**	112

Nature of balance	Name of Related Party	March, 31	
		2025	**2024**
Reimbursement of expenses	Tech Mahindra (Americas), Inc.	**1**	54
Rent Expense	Tech Mahindra Limited	**169**	87
	Tech Mahindra DE Mexico S DE RL DE CV	**-**	2
Rent Income	Tech Mahindra Limited	**4**	11
	TechMahindra Spain, S.L.	**2**	0
Revenue from Services	Tech Mahindra (Americas), Inc	**267**	248
	Tech Mahindra Limited	**10,361**	13,981
	Tech Mahindra (Nigeria) Limited	**-**	5,106
	Tech Mahindra Limited SPC - Oman	**122**	99
	Techmahindra Colombia Digital On Us	**167**	235
	Comviva Technologies FZ LLC	**8,933**	9,198
	Tech Mahindra GmbH	**120**	33
	Tech Mahindra Arabia Limited	**99**	-
Loan taken	Tech Mahindra (Americas), Inc	**8,000**	-
Repayment of loan (Including Interest)	Tech Mahindra (Americas), Inc	**2,233**	1,300
	CJS Solutions Group LLC	**1,145**	957
Subcontractor Expenses	Tech Mahindra Limited	**25**	1,390

3. Balances with related parties (as at year-end)

Nature of balance	Name of Related Party	March, 31	
		2025	**2024**
Accounts Payable	Tech Mahindra (Americas), Inc	**1,160**	1,204
	Tech Mahindra Limited	**3,787**	4,229
Trade Receivable	Tech Mahindra DE Mexico S DE RL DE CV	**8**	-
	Tech Mahindra (Americas), Inc	**19**	70
	Tech Mahindra Limited	**3,739**	3,637
	Tech Mahindra Limited SPC - Oman	**58**	14
	Techmahindra Colombia Digital On Us	**-**	15
	Tech Mahindra (Nigeria) Limited	**2,800**	2,800
	Comviva Technologies FZ LLC	**3,593**	4,005
	Tech Mahindra Arabia Limited	**11**	-
	Tech Mahindra GmbH	**77**	-
Loan Payable	Tech Mahindra (Americas), Inc	**11,077**	5,047
	CJS Solutions Group LLC	**19,066**	19,080
	Tech Mahindra Limited	**6**	45
Other Receivable	Tech Mahindra (Americas), Inc	**1,212**	-

Refer note 6 for guarantees given by related parties.

NOTE 12—COMMITMENTS AND CONTINGENCIES

Legal Proceedings

The Company is a party to various litigation matters and claims that are normal in the course of operations and while the results of such litigation matters and claims cannot be predicted with certainty, the Company believes that it is not reasonably possible that the final outcome of such matters will have a material adverse impact on the consolidated financial position, results of operations or cash flows of the Company.

As per ASC 450 “Contingencies”, loss contingencies towards Income tax liability that may arise in respect of matters in appeal as at March 31, 2025 and 2024 is Nil and Nil respectively. Guarantees outstanding as at March 31, 2025 and 2024 are $ 24 and $ 14 respectively. Claims not acknowledged as debt as at March 31, 2025 and 2024 are $ 399 and $ 789 respectively.

NOTE 13—SUBSEQUENT EVENTS

The Company evaluated its financial statements for subsequent events through May 19, 2025, the date the financial statements were available to be issued. The Company is not aware of any additional subsequent events which would require recognition or disclosure in the financial statements.

ALLYIS INC.

Board of Directors
Mr. Dhiresh Kumar
Mr. Bharath Vasudevan

Registered office
17425 NE Union Hill Road, Suite 100, Redmond WA 98052.

Bankers
JPMorgan Chase Bank
Banco de Costa Rica
First Bank

Auditors
CKH CPA's and Advisors, LLC

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your directors present their Report together with the audited accounts of your corporation for the year ended March 31, 2025.

Financial results:

For the year ended March 31,	**2025 USD (IN '000)**	**2024** USD (IN '000)
Income	**86,162,285**	54,884,258
Profit/(Loss) before tax	**24,210,937**	11,425,530
Profit/(Loss) after tax	**19,147,618**	8,601,265

Review of Operations:

During the year under review, the Corporation has recorded an income of US$ 86,162,285 and Profit /(loss) after tax was US$ 19,147,618. The Corporation continues to invest in strengthening its business in the US, Costa Rica, Romania, and India and other global regions leveraging Tech Mahindra's presence, The increase in business and consolidation of similar line of business from one of the group entities, the focus on right sizing overall operations while preparing for the next level of growth has helped the Corporation to earn a healthy level of operating profits.

Directors:

During the year under review, Mr. Nalin Mittal resigned as Director w.e.f. 31st December 2024 and Mr. Bharath Vasudevan appointed as a Director effective January 1, 2025.

Mr. Dhiresh Kumar and Bharath Vasudevan are the members of the Board of Directors.

Outlook for the current year:

The Corporation believes that the investments made over the last few years in cultivating long-term relationships with existing & prospective customers will result in further increase in business.

Acknowledgements:

Your directors gratefully acknowledge the contributions made by the employees towards the success of the Corporation. Your directors also thank the customers, suppliers, bankers, State and Federal Government Authorities and the shareholder/s for the co-operation and assistance received from them.

Dhiresh Kumar
Director

Place: Washington
Date: May 1, 2025

INDEPENDENT AUDITOR'S REPORT

To the Stockholder
of Allyis Inc. and its subsidiaries Kirkland, Washington

Opinion

We have audited the accompanying consolidated financial statements ("financial statements") of Allyis Inc. and its subsidiaries (Collectively referred to as "the Company"), which comprise the consolidated balance sheets as of March 31, 2025 and 2024, and the related consolidated statements of operations and comprehensive income, changes in stockholder's equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Allyis Inc. and its subsidiaries as of March 31, 2025 and 2024, and the results of its operations and its cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 required to be independent of Allyis Inc. and its subsidiaries and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Allyis Inc. and its subsidiaries' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

Other matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidated supplemental schedule of expenses on page 145 is presented for purposes of additional analysis and are not a required part of the financial statements. The information has been subjected to the auditing procedures applied in the audit of financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

CKH CPA's and Advisors, LLC

Atlanta, Georgia

May 1, 2025

CONSOLIDATED BALANCE SHEETS AT MARCH 31,

	Notes	2025	2024
Current assets			
Cash and cash equivalents	3	**4,769,479**	7,545,936
Accounts receivable, net	4	**5,793,825**	5,588,828
Due from related parties	5	**18,549,561**	283,852
Prepaid expenses and other current assets		**187,084**	79,854
Deposits		**131,608**	271,417
		$ 29,431,557	$ 13,769,887
Non-current assets			
Operating lease right of use asset	6	**610,925**	986,496
Property and equipment, net	7	**625,443**	874,973
Deferred tax asset	8	**589,393**	410,158
Goodwill, net	9	**-**	24,985
		$ 1,825,761	$ 2,296,612
Total assets		**$ 31,257,318**	$ 16,066,499
Current liabilities			
Accounts payable		**101,420**	488,547
Due to related parties	5	**4,751,762**	1,641,436
Accrued compensation		**1,481,323**	1,675,927
Income tax payable		**884,132**	1,016,753
Operating lease liability - current portion	6	**319,558**	378,268
		$ 7,538,195	$ 5,200,931
Non-current liabilities			
Operating lease liability - non-current portion	6	**286,882**	612,228
		$ 286,882	$ 612,228
Total liabilities		**$ 7,825,077**	$ 5,813,159
Commitments and contingencies (Note 12)			
Equity attributable to stockholder of the Company		**23,432,241**	10,253,340
Total liabilities and stockholder's equity		**$ 31,257,318**	$ 16,066,499

CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME FOR THE YEARS ENDED MARCH 31,

	Schedules / Note	2025	2024
REVENUES:			
Consulting services		**$ 86,162,285**	$ 54,884,258
Total revenues		**86,162,285**	54,884,258
COST OF REVENUES:			
Personnel		**24,088,060**	22,944,120
Contractors		**34,084,941**	16,531,213
Total cost of revenues		**58,173,001**	39,475,333
GROSS PROFIT		**27,989,284**	15,408,925
OPERATING EXPENSES:			
Personnel		**1,537,536**	1,464,518
Depreciation	7	**502,407**	391,851
Amortization	9	**24,986**	299,833
General and administrative	I	**1,849,934**	1,781,968
Total operating expenses		**3,914,863**	3,938,170
OPERATING PROFIT		**24,074,421**	11,470,755
OTHER INCOME (EXPENSES)			
Foreign currency loss		**(144,788)**	(154,410)
Interest income		**281,304**	109,185
Total other income (expenses)		**136,516**	(45,225)
Income before income tax expense		**24,210,937**	11,425,530
Income tax expense	8	**5,063,319**	2,824,265
NET INCOME		**$ 19,147,618**	$ 8,601,265
Other comprehensive gain			
Gain on foreign currency translation		**110,092**	51,494
Comprehensive income		**$ 19,257,710**	$ 8,652,759

All revenue and profit for the period is generated from continuing operations.

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY FOR THE YEARS ENDED MARCH 31,

	Accumulated other comprehensive gain	Accumulated profits	Total Stockholder's equity
Balance at March 31, 2023	**182,503**	**4,918,078**	**5,100,581**
Net income for the period	-	8,601,265	8,601,265
Other comprehensive gain	51,494	-	51,494
Dividends paid	-	(3,500,000)	(3,500,000)
Balance at March 31, 2024	**233,997**	**10,019,343**	**10,253,340**
Net income for the period	-	19,147,618	19,147,618
Other comprehensive gain	110,092	-	110,092
Dividends paid	-	(6,000,000)	(6,000,000)
Common control merger	-	(78,809)	(78,809)
Balance at March 31, 2025	**344,089**	**23,088,152**	**23,432,241**
Note	10		

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEARS ENDED MARCH 31,

	2025	2024
Cash flows from operating activities		
Net income	**$ 19,147,618**	$ 8,601,265
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	**502,407**	391,851
Amortization	**24,986**	299,833
Right of use depreciation	**375,570**	375,496
Deferred income tax benefit	**(179,235)**	(145,478)
Income tax expense	**4,062,896**	2,969,743
Common control merger	**(78,809)**	-
Changes in operating assets and liabilities:		
Accounts receivable, net	**(204,997)**	(1,321,304)
Prepaid expenses and other current assets	**(107,230)**	5,892
Deposits	**139,809**	10,226
Accounts payable	**(387,127)**	315,673
Due to related parties	**3,110,326**	(494,263)
Due from related parties	**(18,265,709)**	446,581
Accrued compensation	**(194,604)**	(20,184)
Income tax payable	**(4,195,517)**	(2,847,043)
Operating lease payments	**(384,056)**	(359,713)
Net cash provided by operating activities	**3,366,328**	8,228,575
Cash flows from investing activities		
Capital expenditures	**(252,877)**	(452,815)
Net cash used in investing activities	**(252,877)**	(452,815)
Cash flows from financing activities		
Dividends paid	**(6,000,000)**	(3,500,000)
Net cash used in financing activities	**(6,000,000)**	(3,500,000)
Effect of exchange rate changes on cash	**110,092**	51,494
Net (decrease) increase in cash	**(2,886,549)**	4,275,760
Cash and cash equivalents at beginning of year	**7,545,936**	3,218,682
Cash and cash equivalents at end of the year	**4,769,479**	7,545,936
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	**5,242,354**	2,498,262

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED MARCH 31, 2025 AND 2024

1 NATURE OF OPERATIONS

Allyis Inc. (“the Parent”) and its Subsidiaries (collectively referred to as “the Company”) are a group of consulting firms specializing in providing technology and digital services in the form of outsourced services and staff augmentation. Tech Mahindra (Americas) Inc. acquired Allyis Inc., on December 31, 2021.

The consolidated financial statements (“financial statements”) of the Company includes Allyis Inc. (incorporated on August 8, 1997 registered in the state of Washington) and its wholly owned subsidiaries, Allyis Technology Solutions Sociedad De Responsabilidad Limitada incorporated on January 10, 2019 and Allyis Technologies S.R.L. (incorporated on June 21, 2020). Allyis Inc. acquired each of its subsidiaries through a legal entity merger with Green Investments LLC on July 1, 2022.

Allyis Technology Solutions Sociedad De Responsabilidad Limitada and Allyis Technologies Canada Inc. are nearshore development centers based in Costa Rica and Canada, supporting Allyis US customers in their time zone at a cost competitive rate. Allyis Technologies S.R.L is a development center based in Romania. The development in Romania supports Allyis US customers based in Europe, in their time zone, at a cost competitive rate. Allyis Technologies Canada Inc. was dissolved during the prior financial year.

On December 1, 2024, TM Born Group CR, S.R.L. (“TM Born”) merged with Allyis Technologies S.R.L. with Allyis Technologies

S.R.L. being the surviving corporation. Allyis Technologies S.R.L. received all of the property, rights, privileges, franchises, patents, trademarks, trade name, licenses and other assets of TM Born. Refer to Note 11 for merger accounting disclosure.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF CONSOLIDATION

The accompanying financial statements reflect the consolidated results of the Parent and its subsidiaries for the years ended March 31, 2025 and 2024. All significant intercompany accounts and transactions have been eliminated in consolidation.

B. BASIS OF ACCOUNTING

These financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“US GAAP”).

C USE OF ESTIMATES IN PRESENTATION OF FINANCIAL STATEMENTS

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates and assumptions made by management include the determination of recognition of revenue and depreciation of assets recognized. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable, the result of which forms the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ from those estimates.

D REVENUE RECOGNITION

Revenue from consulting services contracts is recognized as the services are performed and amounts are earned. The Company considers amounts to be earned once evidence of an arrangement has been obtained, services are provided, fees are fixed or determinable, and collectability is reasonably assured.

The Company determines the amount of third-party revenue to be recognized through application of the following steps:

- Identification of the contract, or contracts with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when or as the Company satisfies the performance obligations.

Revenues from these services and reimbursed costs for out of pocket expenses are presented on the consolidated statement of operations and comprehensive income, net of allowances or adjustments for agreed changes to reimbursed costs.

E COST OF REVENUE

Direct costs for employee or contractor placements consists of salaries and contract payments (mainly from hours), payroll taxes, insurance costs as well as reimbursable costs such as travel, lodging or entertainment.

F. INCOME TAXES

The Company accounts for income taxes using Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740, Income Taxes. Under FASB ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under SB ASC 740 the effect on the deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The Company records valuation allowances against deferred tax assets as deemed necessary.

Per FASB ASC 740-10-20, the Corporation follows the recognition requirements for uncertain tax positions as required by generally accepted accounting principles in the United States of America. Income tax benefits are recognized for income tax positions taken on expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Corporation has analyzed tax positions taken for filing with the Internal Revenue Service (IRS) and all state jurisdictions where it operates.

In accordance with guidance in ASC 740-10-30-27, the Parent uses a “separate return” method to allocate current and deferred taxes or benefits to members of the consolidated return group (“Tech Mahindra (Americas) Inc. and subsidiaries”) by applying ASC 740 to each member as if they were separate tax payers. Under the “separate return” method, the subsidiary is assumed to file a separate return with the taxing authority, thereby reporting its taxable income or loss and paying the applicable tax to or receiving the appropriate refund from the parent. Management concluded that no provision for income tax is required in the Corporation’s financial statements as a result of uncertain tax positions.

For the foreign subsidiaries deferred tax assets are only recognized if it is probable that they will be used.

G. CASH AND CASH EQUIVALENTS

Cash and cash equivalents represents accounts with banks and demand deposits held at financial institutions. The Company considers all highly liquid investments with a maturity, when purchased, of three months or less to be cash equivalents. Cash equivalents include short-term highly liquid investments of sufficient credit quality that are readily convertible to known amounts of cash and have original maturities of three months or less. Cash equivalents are carried at cost, plus accrued interest, which approximates fair value. Cash equivalents are held to meet short-term liquidity requirements, rather than for investment purposes. Cash and cash equivalents are held at major financial institutions and are subject to credit risk to the extent those balances exceed applicable Federal Deposit Insurance Corporation (FDIC) limitations.

H. ACCOUNTS RECEIVABLE AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

Accounts receivable consist of amounts due from customers on revenue contracts contracted directly by the Company and is recorded on the balance sheet as “Accounts receivables, net”. As of March 31, 2025 and 2024 the allowance for doubtful accounts was $120,000 and $ nil, respectively.

An allowance for credit losses account is provided for based on qualitative and quantitative factors including the Company’s historical collection experience, internally developed forecasts, current and expected economic condition, and specific allowances for known troubled accounts. The allowance for expected credit losses is determined based on the amount the Comoany expects to cover over the life of the receivable. During 2025 and 2024, there was no activity in the allowance for credit losses, accordingly, as of March 31, 2025 and 2024, the balance for allowance for credit losses was $ nil.

I. UNBILLED RECEIVABLES

Unbilled receivables represent accrued revenue earned and recognized on projects for which billings have not yet been presented to the customer.

J. PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost less accumulated depreciation. Depreciation is provided using the straight-line method and is generally based on the following useful lives:

- Computer equipment – five years;
- Computer software – three to five years
- Leasehold improvements – five to nine years
- Office furniture and equipment – five to seven years

Expenditures for maintenance and repairs are charged to statement of operations and comprehensive income as incurred. Additions and betterments are capitalized. When assets are retired or otherwise disposed, the related cost and accumulated depreciation are removed from the appropriate accounts and any resulting gain or loss is reflected in operations.

The Company annually reviews the status of property and equipment held by the Company for any impairment of those assets. Any such impairment would result in a permanent reduction in the recorded value of the asset. No such impairments existed at March 31, 2025 and 2024.

K. RELATED PARTIES

Related parties are considered to be related if one party has the ability to control or jointly control the other party or exercise significant influence over the party in making financial and operational decisions. Key management personnel are also regarded as related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise). Transactions involving related parties are carried out on an arm's length basis.

L. PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets consist of prepaid insurance and balances with government authorities.

M. GOODWILL

Goodwill resulting from business combinations represents the excess of the fair value of the consideration transferred over the fair value of the net assets acquired and liabilities assumed as of the acquisition date. The Company elected the private company accounting alternatives provided in Accounting Standards Update (ASU) 2014-02, Intangibles – Goodwill and Other (Topic 350). Pursuant to these elections, the Company prospectively amortized goodwill on a straight-line basis over a three-year period. Impairment testing will be performed at the entity level whenever events occur, or circumstances changes, which indicates that the fair value of the entity may be below its carrying amount.

N. LEASES

The company determines if an arrangement is a lease at inception of the arrangement. These leases are classified as either an operating lease or a finance lease. Based on the evaluation of leases for the period ended March 31, 2025 and 2024, no leases meet the criteria for classification as a finance lease. Operating leases are capitalized on the consolidated balance sheet through a right-of-use ("ROU") asset and a corresponding lease liability. ROU assets represent the company's right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease.

Operating leases are included in operating lease ROU assets, current operating lease liabilities, and long-term operating lease liabilities in our consolidated balance sheets. Operating lease ROU assets and liabilities are recognized at the commencement date of an arrangement based on the present value of lease payments over the lease term. The operating lease ROU asset also includes any lease payments made to the lessor prior to lease commencement, less any lease incentives, and initial direct costs incurred. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

The company enters into long-term contracts to lease office space in support of company operations and these have all been determined to represent operating leases.

O. FOREIGN EXCHANGE RATES

The Company translates the operations and balances of its foreign subsidiaries into U.S. Dollars. Assets and liabilities are translated into U.S. Dollars at year-end exchange rates. Income and expense items are translated at the average rates of exchange prevailing during the year. Translation adjustments are included in “Other Comprehensive Income” and “Accumulated Other Comprehensive Income”. Transactions in currencies other than the functional currency of the related subsidiary are converted at the foreign exchange rate on the date of the transaction. Gains and losses, which result from foreign currency transactions, are included in Other Expenses.

P. ADVERTISING AND MARKETING

The Company expenses all advertising costs as incurred. Advertising costs incurred for the year ended March 31, 2025 and 2024 was $ nil and $ nil respectively.

Q. FAIR VALUE - DEFINITION AND HIERARCHY

Fair value is defined as 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.

In determining fair value, the Company uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. The valuation techniques used by the Company to determine fair value are consistent with the income approaches. The Company determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

- Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access

- Level 2 – Valuations based on inputs, other than quoted prices included in Level 1, that are observable either directly or indirectly

- Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Fair value is a market-based measure, based on assumptions of prices and inputs considered from the perspective of a market participant that are current as of the measurement date, rather than an entity-specific measure. Therefore, even when observable inputs are not readily available, the Company’s own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date.

The availability of valuation techniques and observable inputs can vary from investment to investment and are affected by a wide variety of factors, including the type of investment, whether the investment is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the investments existed. Accordingly, the degree of judgment exercised by the Company in determining fair value is greatest for investments categorized in Level 3. In some cases, the inputs used to measure fair value might be categorized within different levels of the fair value hierarchy. In such cases, the fair value measurement is generally categorized in its entirety in the fair value hierarchy based on the lowest level input that is significant to the fair value measurement.

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable approximates fair value due to the short-term maturity of the instruments. The carrying amounts of the Company’s floatable interest rate debt are considered reasonable estimates of fair value.

R. COMMITMENTS AND CONTINGENCIES

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred.

3. CASH AND CASH EQUIVALENTS

As of March 31, cash and cash equivalents consisted of the following:

	2025	2024
Cash with banks	**4,769,479**	7,545,936
Total	**4,769,479**	3,218,682

The Company places its cash on deposit with a financial institution in the United States of America. Cash and cash equivalents are subject to credit risk to the extent those balances exceed applicable Federal Deposit Insurance Corporation limitations. The Federal Deposit Insurance Corporation covers $250,000 for substantially all depository accounts held by a financial institution in the United States of America. As of March 31, 2025 and 2024 the Company had $0 and $4,680,163 with financial institutions in excess of the federally insured limit.

4. ACCOUNTS RECEIVABLE, NET

At March 31, accounts receivable balances were as follows:

	2025	2024
Amounts due for services rendered and billed	**5,078,612**	5,425,876
Allowance for doubtful accounts	**(120,000)**	-,
Amounts due for services rendered and billed, net	**4,958,612**	3,937,582
Amounts due for services rendered, not billed	**835,213**	162,952
	5,793,825	4,267,524

Allowance for doubtful receivables expense was $120,000 and $0 for the years ended March 31, 2025 and 2024.

Subsequent to year end, 83% of accounts receivable at March 31, 2025 had been collected.

5. TRANSACTIONS WITH RELATED PARTIES

During the years ended March 31, 2025 and 2024 the Parent had transactions with the following related parties. At March 31, 2025 and 2024 the Parent had payables due (to) from related parties as follows:

Tech Mahindra Limited (“TMIND”)	**2025**	**2024**
Beginning balance, due (to)	**57,151**	293,569
Income from services rendered	**272,755**	288,039
Cost of services	**(6,983,263)**	(1,845,400)
Reimbursement of services	**33,640**	94,133
Payment made	**5,682,735**	1,226,810
Ending balance, due (to) from	**$ (936,982)**	$ 57,151
Due from (to) consists of		
Amounts due (to) TMIND	**(1,127,310)**	(198,674)
Amounts due from TMIND	**190,328**	255,825
	$ (936,982)	$ 57,151

Tech Mahindra ICT Services (Malaysia) (“TMMIC”)	**2025**	**2024**
Beginning balance, due (to)	**(20,472)**	(11,114)
Cost of services	**(408,568)**	(214,186)
Payment made	**372,733**	204,828
Ending balance, due to	**$ (56,307)**	$ (20,472)
Due from (to) consists of		
Amounts due (to) TMMIC	**(56,307)**	(20,472)

Tech Mahindra Americas, Inc. (“TMUSA”)	**2025**	2024
Beginning balance, due (to)	(673,373)	(1,099,721)
Income from services rendered	174,836	-
Cost of services	(15,337,598)	(335,265)
Reimbursement of expense	(6,322,271)	(2,511,276)
Reimbursement receivables	(224,942)	(403,330)
Payment made	19,478,529	3,676,219
Cash pooling arrangement*	18,173,585	-
Ending balance, due from (to)	$ 15,268,766	$ (673,372)
Due from (to) consists of		
Amounts due (to) TMUSA	(3,090,467)	(673,373)
Amounts due from TMUSA	18,359,233	-
	$ 15,268,766	$ (673,373)

*The Company entered into a cash pooling arrangement during August 2024 with its parent, TMA as a mechanism to obtain funding internally. The arrangement between TMA as the cash pool leader and the subsidiaries as participants is a Physical Cash Pool which stipulates that the balance from each entity’s bank account will automatically be transferred into a central account at the end of each day. The balances transferred are treated as intercompany loans taking into consideration the interest expense as well as interest earned. Interest is indexed at a rate of SOFR minus 1.70% and is paid monthly. This arrangement is facilitated by a third- party financial institution.

Zen3 Infosolutions (America) Inc (“Zen3 USA”)	**2025**	**2024**
Beginning balance, due (to)	**(42,246)**	(15,617)
Income from services rendered	**91,118**	209,927
Cost of services	**(4,386,268)**	(559,762)
Reimbursement receivables	**-**	28,026
Payment made	**4,337,396**	295,180
Ending balance, due from (to)	**$ -**	$ (42,246)
Due from (to) consists of		
Amounts due (to) Zen3 USA	**-**	(70,273)
Amounts due from Zen3 USA	**-**	28,027
	$ -	$ (42,246)

Allyis India Pvt Ltd. (“Allyis India”)	**2025**	**2024**
Beginning balance, due (to)	**(531,555)**	(572,383)
Cost of services	**(5,552,837)**	(6,873,670)
Payment made	**5,717,287**	6,914,498
Ending balance, due from (to)	**(367,105)**	(531,555)
Due from (to) consists of		
Amounts due (to) Allyis India	**(367,105)**	(531,555)

ZEN3 Infosolutions Pvt Ltd - India (“Zen3 India”)	**2025**	**2024**
Beginning balance, due (to)	**(78,229)**	-
Cost of services	**1,543,998**	(585,058)
Reimbursement of expense	**-**	1,099
Payment made	**(1,465,769)**	505,730
Ending balance, due from (to)	**$ -**	$ (78,229)
Due from (to) consists of		
Amounts due (to) Zen3 India	**-**	(78 229)

vCustomer Philippines, Inc ("VCPI")	2025	2024
Beginning balance, due (to)	**(67,035)**	-
Cost of services	**(898,277)**	(483,455)
Payment made	**868,137**	416,420
Ending balance, due from (to)	**$ (97,175)**	$ (67,035)
Due from (to) consists of		
Amounts due (to) VCPI	**(97,175)**	(67,035)

Tech M Mexico ("SMEXICO")	2025	2024
Beginning balance, due (to)	**(1,825)**	-
Cost of services	**(41,706)**	(10,821)
Payment made	**30,133**	8,996
Ending balance, due from (to)	**$ (13,398)**	$ (1,825)
Due from (to) consists of		
Amounts due (to) SMEXICO	**(13,398)**	(1,825)
Total amounts due to related parties	**$ (4,751,762)**	$ (1,641,436)
Total amounts due from related parties	**$ 18,549,561**	$ 283,852

6. LEASES

Information as of and for the years ended March 31, 2025 and 2024:

The Allyis Technology Solutions Sociedad De Responsabilidad Limitada facility lease was entered into on November 26, 2019 in Costa Rica. The lease expires on November 25, 2022 and is renewable every three years. The initial rate per square meter ranges from $14 with a 3% escalation per year for a monthly commitment of $8,190 to $8,689.

The Allyis Technologies S.R.L facility lease was entered into on October 15, 2021 in Romania. The lease expires on April 15, 2027 with a initial lease rate of €14.5 for a monthly commitment of $24,476.

During the period ended March 31, 2025 and 2024, the Company had transactions with Tech Mahindra (Americas), Inc. ("TMA"). At March 31, 2025 and 2024 the Company had loans receivable due from TMA as follows:

Total lease cost for the years ended March 31, 2025 and 2024 amounted to $90,539 and $289,236, respectively.

Right of use asset, net of depreciation	2025	2024
Acquisition cost	**1,711,486**	1,711,486
Accumulated Depreciation	**(1,100,561)**	(724,990)
Ending balance	**610,925**	986,496
Operating lease liabilities – short-term	**319,558**	378,268
Operating lease liabilities – long-term	**286,882**	612,228
Total operating lease liabilities	**606,440**	990,496

Maturities of operating lease liabilities under non-cancellable leases as of March 31, 2025 and 2024 are as follows:

	2025	2024
In 1 year	**314 216**	382 018
In 2 to 5 years	**294 057**	614 109
Thereafter	**-**	-
Total undiscounted lease payments	**608 273**	996 127
Less: imputed interest	**(1 833)**	(5 631)
Net present value of lease commitments	**606 440**	990 496

7. PROPERTY AND EQUIPMENT, NET

At March 31, property and equipment balances were as follows:

	2025	2024
Computer equipment	**1,641,086**	1,387,440
Computer software	**174,870**	174,870
Office furniture	**48,757**	26,755
Leasehold improvements	**-**	476,907
Less: accumulated depreciation	**(1,239,270)**	(1,190,999)
	$ 625,443	$ 874,973

Reconciliation of carrying value of property and equipment for the year ended March 31, was as follows:

	2025	2024
Carrying value at the beginning of the year	**874,973**	814,009
Additions	**252,877**	452,815
Depreciation	**(502,407)**	(391,851)
Carrying value at the end of the year	**$ 625,443**	$ 874,973

The total depreciation expense recognized for the years ended March 31, 2025 and 2024 was $502,407 and $391,851, respectively. The depreciation policies followed by the Company are disclosed in Note 2J above.

8. INCOME TAXES

Allyis accounts for income taxes under the provisions of the FASB ASC 740, Income Taxes, as described in Note 2F above.

	2025	2024
Current income tax expense consists of the following:		
Federal	**5,104,907**	2,609,367
Foreign	**132,741**	348,842
State	**4,906**	11,534
	5,242,554	2,969,743

	2025	2024
Deferred income tax benefit consists of the following:		
Federal	**(179,039)**	(145,333)
Foreign	**-**	-
State	**(196)**	(145)
	(179,235)	(145,478)
Total current and deferred income tax expense	**$ 5,063,319**	$ 2,824,265

	2025	2024
Deferred tax asset consists of the following:		
Research and development	**489,485**	369,406
Depreciation	**74,636**	40,752
Allowance for doubtful debts	**25,272**	-
	$ 589,393	$ 410,158

	2025	2024
Applicable statutory income tax rate	**21%**	21%
Income before income tax expense	**24,210,937**	11,425,530
Expected income tax expense	**5,084,297**	2,399,361
Actual income tax expense	**5,063,319**	2,824,265
Difference between actual and expected expense:	**(20,978)**	424,904
Goodwill impairment	**5,247**	62,965
Other foreign taxes	**132,741**	348,842
State taxes	**4,906**	11,533
Other permanent differences	**(163 872)**	1,564
	(20,978)	424,904

In the ordinary course of business there are many transactions with affiliated companies that affect the calculation and estimation of the Company's tax liability. Although management believes that the Company's tax estimates are reasonable, there is no assurance that the final determination of tax liability will not be different from what is reflected in the Company's historical income.

The Company does not anticipate any amount to be recognized related to the Company's uncertain tax position.

9. GOODWILL, NET

At March 31, goodwill balance was as follows:	2025	2024
Goodwill	**899,499**	899,499
Less: accumulated amortization	**(899,499)**	(874,514)
	$ -	$ 24,985

Amortization expense for the years ended March 31, 2025 and 2024 was $24,986 and $299,833, respectively.The Company reviewed its goodwill as of March 31, 2025 and 2024 and determined that no impairment of goodwill has occurred. The amortization policies followed by the Company are described in Note 2M.

Amortization expense of goodwill subject to amortization for the year succeeding March 31, 2025 as follows:

2026	-
	-

10. STOCKHOLDER'S EQUITY

	2025	2024
Authorized number of units at no par value	**1,000**	1,000

On December 31, 2021 Tech Mahindra (Americas), Inc ("TMA") entered into an agreement with the stockholder's of the Company whereby it acquired 100% of the shares in the Company.

11. MERGER WITH COMPANIES UNDER COMMON CONTROL

TM Born Group CR, S.R.L.

On December 1, 2024, the Company merged with TM Born Group CR, S.R.L. ("TM Born"), a wholly owned subsidiary under common control of TML. The transaction was accounted for as a transfer of net assets between entities under common control in accordance with ASC 805-50, Business Combinations – Transactions Between Entities Under

Common Control. As both entities were ultimately controlled by TML before and after the transaction, the assets, liabilities, and results of operations of TM Born have been included in the financial statements of the Company at their historical carrying amounts. No goodwill or gain/loss was recognized in connection with the transaction.

The merger was accounted for as if it occurred at the beginning of the reporting period, and comparative periods have not been retrospectively adjusted. The following table summarizes the carrying amounts of the assets and liabilities transferred as of the effective date of the merger:

Assets transferred	**Amount (USD)**
Cash	59,547
Net accounts receivable	26,106
Fixed assets	102,904
Other current assets	102,904
	102,904
Liabilities transferred	
Accounts payable	(24,095)
	(24,095)
Net assets transferred	**78,809**

12. COMMITMENTS AND CONTINGENCIES

Based on current known facts and circumstances, the Company believes that any liabilities ultimately resulting from ordinary course claims and proceedings will not individually or in aggregate, have a material adverse effect on the Company's financial position, results of operations or cash flows.

13. CONCENTRATION OF CREDIT RISK

REVENUE AND ACCOUNTS RECEIVABLE

The majority of the Company's sales are credit sales and terms offered to customers vary according to the credit risk profiles of, and the invoicing conventions established in, the entity's markets. The contractual terms on invoices issued to customers vary and are payable upon receipt or immediate to within 30 days.

	2025
Less than 30 days	**5,175,250**
Between 30 and 60 days	**33,104**
Between 60 and 120 days	**(129,742)**
More than 120 days	**-**
	$5,078,612

The following are customer concentration for consulting income for the years ended March 31, 2025 and 2024 and accounts receivable as at March 31, 2025 and 2024.

Revenue concentration for the year ended March 31, 2025:

	Amount, $	**Concentration**
Customer 1	51,874,312	60%
Customer 2	5,049,985	6%

Accounts receivable concentration as of March 31, 2025:

	Amount, $	Concentration
Customer 1	4,684,286	81%

Revenue concentration for the year ended March 31, 2024:

	Amount, $	Concentration
Customer 1	48,525,532	88%
Customer 2	1,283,094	2%

Accounts receivable concentration as of March 31, 2024:

	Amount, $	Concentration
Customer 1	4,543,904	106%

14. EMPLOYEE BENEFITS

EMPLOYEE BENEFIT PLAN

The Company adopted a retirement plan designed as the 401(k) Plan, with an effective date of February 1, 2003. All full and part- time employees are eligible to participate in the plan from the date of hire except for employees from Costa Rica and leased employees. The 401(k) plan is administered by ADP Retirement and the benefit includes a company match of 50% of the first 4% of the salary contributed however the employer contributions are discretionary and is determined per year. Included in employee benefits for 2025 and 2024 is company contributions in the amount of $115,232 and $115,751, respectively.

15. SUBSEQUENT EVENTS

These financial statements present the results of operations, financial position, stockholder’s equity, and cash flows for the period ended March 31, 2025, no significant events occurred subsequent to the balance sheet date but prior to May 1, 2025, that would have a material impact on the financial statements.

CONSOLIDATED SUPPLEMENTAL SCHEDULE OF EXPENSES FOR THE YEARS ENDED MARCH 31,

	2025	$ 2024
Schedule I		
GENERAL AND ADMINISTRATIVE		
Lease expense and other rent	**469,944**	670,964
Professional services and legal fees	**411,404**	339,516
Office expenses	**264,436**	314,672
Travel expenses	**222,801**	96,902
Computer and internet expenses	**138,675**	123,778
Allowance for doubtful receivables expense	**120,000**	-
Rates and taxes	**74,975**	24,101
Communications	**57,435**	65,259
Recruitment	**45,789**	107,971
Training and continuing education	**16,024**	7,560
Insurance	**15,426**	17,947
Miscellaneous expenses	**8,853**	8,950
Bank service charges	**4,172**	4,348
	1,849,934	1,781,968

ZEN3 INFOSOLUTIONS PRIVATE LIMITED

Board of Directors
Mr. Birendra Kumar Sen – Director
Mrs. Heena Nikhil Shah – Additional Director (Appointed w.e.f 28th February, 2025)
Mr. Bharath Vasudevan – Additional Director (Appointed w.e.f 5th March, 2025)
Mr. Nalin Mittal – Director (Resigned on 30th December, 2024)
Mr. R.V. Narasimham - Director (Resigned on 15th April, 2025)

Registered Office
12th Floor, Manjeera Trinity Corporate, beside Manjeera Mall,
JNTU - Hitech City Road, Phase 3, Kukatpally Housing Board Colony, Kukatpally, Hyderabad, Telangana 500072

Banker
Axis Bank Limited

Auditor
M/s. K.Vijayaraghavan & Associates LLP
Plot 54, Sagar Society, Road No.2, Banjara Hills,
Hyderabad, Telangana 500034

DIRECTORS REPORT

Dear Members,

Your Directors have pleasure in presenting the Tenth (10th) Annual Report together with the Audited Financial Statements of your company for the financial year ended 31st March, 2025.

FINANCIAL HIGHLIGHTS

The Financial results of your Company are as under:

(₹ In Lakhs)

Particulars	2024-25	2023-24
Turnover	3179.22	7789.5
Profit before Depreciation	(44.95)	907.3
Less: Depreciation	0.00	298.5
Profit/Loss before tax	(44.95)	608.8
Less: Income Tax Expense		
Current Tax including prior year taxes	26.69	132.4
Deferred Tax	69.95	12.5
Profit After Tax	(141.59)	463.8

RESULTS OF THE OPERATIONS AND STATE OF COMPANY'S AFFAIRS

The Company has achieved a Turnover of ₹3179.22 as against previous year turnover of ₹ 7789.50 Lakhs and earned the Net loss of ₹141.59 as against Net profit ₹ 463.80 Lakhs of Previous year.

DIVIDEND

The Board do not propose any dividend for the Financial Year ended March 31, 2025.

TO RESERVES

Company has transferred Nil Lakhs to Reserves & Surplus during the year under review.

INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

The Company does not have any Subsidiary, Joint venture, or Associate Company.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate on the date of this report.

SHARE CAPITAL:

During the year there were no changes in the Share Capital of the company

ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company for the Financial Year 2024-25 is available on the Company's website at https://zen3tech.com/

MEETINGS OF THE BOARD OF DIRECTORS

The Company had 3 (Three) Board Meetings during the financial year under review. The details are given below:

Sl. No.	Date of meeting	Total No. of Directors on the Date of Meeting	No. of Directors attended	% of Attendance
1.	06-06-2024	03	03	100
2.	04-10-2024	03	02	67
3.	27-01-2025	02	02	100

General Meetings

Type	Date of Meeting	Total members	No. of Members Present	% of Members Share Holding
AGM	22-07-2024	2	2	100
EGM	08-03-2025	2	2	100

AUDITORS

The members at the 4th Annual General Meeting of the Company held on 30.09.2019, appointed M/s **K. Vijayaraghavan & Associates LLP, Hyderabad, (Firm's Regn.No: 004718S)**, as Statutory Auditors of the Company to hold office for five consecutive years till the conclusion of the 9th Annual General Meeting of the Company in the calendar year 2024. Further he was re-appointed on the 9th Annual General Meeting held on 22nd July, 2024 for financial year till the conclusion of the 10th Annual General Meeting of the Company in the calendar year 2025.

Further they confirmed that they are not disqualified to continue as Statutory Auditors.

The Board recommends to the members the re-appointment of M/s **K. Vijayaraghavan & Associates LLP, Hyderabad, (Firm's Regn. No: 004718S)**, as Statutory Auditors of the Company for the FY – 2025-26.

AUDITORS' REPORT

There are no qualifications or reservations or adverse remarks in the Auditor's Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory and needs no further explanation.

COMPLIANCE WITH INDIAN ACCOUNTING STANDARDS (Ind AS)

The company being the wholly owned subsidiary of a Listed Company has adopted the Indian Accounting Standards (In 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 such the financial statements are prepared accordingly.

These financial statements are the fourth financial statements of the Company under Ind AS.

LOANS, GUARANTEES AND INVESTMENTS

Your Directors confirm that there were no loans, guarantees or investments made by the Company under section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

RELATED PARTY TRANSACTIONS

Your Directors confirm that all contracts or arrangements entered by the company during the financial year with related parties were in the ordinary course of business and on an arm's length basis as disclosed in Form No. AOC- 2 as per Annexure-1 and is attached to this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

A. Conservation of Energy, Technology Absorption

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy have not been furnished considering the nature of activities undertaken by the company are service in nature during the year under review. Your company, however, has taken significant measures to reduce energy consumption by using energy efficient computers and by using energy efficient equipment. Energy conservation is a consistent focus area for your company both from a cost control and a social responsibility perspective and further the company has not imported any technology during the period under review 2024-2025.

The details of Foreign Exchange Earnings and Outgo during 2024-25 are given below:

Foreign Exchange earnings	₹128,497,428
Foreign Exchange outgo- Travelling Expenses	₹ Nil

DEPOSITS

Your Directors, report that the company has neither accepted nor renewed any deposits covered under Chapter V of the Companies Act 2013 during the year under review.

CORPORATE SOCIAL RESPONSIBILITY:

The Company has complied with the provisions of section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended for the financial year 2024-25.

The Annual Report on Corporate Social Responsibility Activities of the Company for the Financial Year 2024-25 has been provided in the prescribed format as Annexure II to this report.

BOARD OF DIRECTORS:

The Board of Directors consists of 3 Non-Executive Directors to ensure proper governance and management.

Mrs. Heena N Shah (DIN: 10099961) and Mr. Bharat Vasudevan (DIN: 05307157) were appointed as the Additional Director w.e.f. 28th February, 2025 and 5th March, 2025 respectively and they hold the office till the ensuing General Meeting. It is proposed to appoint Mrs. Heena N Shah and Mr. Bharat Vasudevan as the Director at the ensuing Annual General Meeting.

Mr. Nalin Mittal resigned from the position of Director of the Company on 30th December, 2024.

Mr. R V Narasimham resigned from the position of Director of the Company on 15th April, 2025.

None of the directors were disqualified during the year under review.

RE-APPOINTMENTS:

In accordance with the provisions of Section 152 (6) of the Companies Act, 2013, Mr. Birendra Kumar Sen (DIN: 07956092) , Director of the Company shall retire by rotation at the forthcoming Annual General Meeting, and being eligible offers himself for reappointment.

KEY MANAGERIAL PERSONNEL:

The provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended time to time, were not applicable to the Company during the financial year.

INDEPENDENT DIRECTORS:

Since the Company is a wholly owned subsidiary of Tech Mahindra Limited, the provisions of Section 149(4) of the Companies Act, 2013 are not applicable to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

(c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The directors had prepared the annual accounts on a going concern basis; and Company being unlisted sub clause of Sec – 134(3) is not applicable.

(e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

No cases were filed pursuant to the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 during the year under review.

LITIGATIONS

There were no significant and material orders passed by the regulators or courts or Tribunals impacting the going concern status and company's operations in future.

OTHER DISCLOSURES

Directors of your company hereby state and confirm that the Company has complied with all the applicable Secretarial Standards.

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their deep and sincere gratitude and appreciation for cooperation extended by the Governmental Agencies, Shareholders.

Your Directors also place on record their appreciation for the contributions made by the employees through their dedication, hard work and commitment. Your Directors also convey thanks and appreciation to the valued customers and dealers for their continued patronage.

Place: Hyderabad
Date: 24.04.2025

For and on Behalf of the Board
ZEN3 INFOSOLUTIONS PRIVATE LIMITED

Heena N Shah
Director
DIN: 10099961

Bharat Vasudevan
Director
DIN: 05307157

ANNEXURE -1

Form No. AOC-2

[Pursuant to clause (h) of dub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

M/s.Zen3 Infosolutions Private Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length, during financial year 2024-25.

2. Details of material contracts or arrangements or transactions at arm's length basis:

The details of material contracts or arrangements or transactions at arm's length basis for the year ended 31st March, 2025 are as follows:

Name of related party	Nature of relationship	Duration of contract	Salient terms#	Amount (in Rupees)
Allyis Inc	Sister Company	From time to time	Rendering Software Services	128,497,428
Allyis India Pvt Ltd	Sister Company	From time to time	Rendering Software Services	40,314,428
Allyis India Pvt Ltd	Sister Company	From time to time	Rental Income	1,392,000
Tech Mahindra Ltd	Holding Company	From time to time	Rendering Software Services	45,659,917
Tech Mahindra Ltd	Holding Company	From time to time	Reimbursement of Expenses	36,395,017

Place: Hyderabad
Date: 24.04.2025

For and on Behalf of the Board
ZEN3 INFOSOLUTIONS PRIVATE LIMITED

Heena N Shah
Director
DIN: 10099961

Bharat Vasudevan
Director
DIN: 05307157

ANNEXURE – II

Annual Report on Corporate Social Responsibility Activities of Zen3 Infosolutions Private Limited for the Financial Year 2024-2025

Introduction

Zen3 Infosolutions Private Limited, (hereinafter referred to as Company), is in the business of computer and related activities. The Company strives for holistic business growth. The company belives that alongwith economic performance, environmental and social stewardship is also required. The Company's focus has always been to contribute towards the sustainable development of society and environment.

The Corporate Social Responsibility (CSR) Contribution amount being less than Rupees Fifty Lacs for the Financial year 2024-2025, functions of the CSR Committee provided under section 135 of the Companies Act, 2013 are being discharged by the Board of Directors.

1. **Brief outline on CSR Policy of the Company.**

   Zen3 Infosloutions Private Limited implements its CSR Programs primarily through Tech Mahindra Foundation (TMF) (Section 25 Company set up under the Companies Act 1956) and Mahindra Educational Institutions (MEI) (Section 8 Company set up under the Companies Act 2013). The CSR activities of the company are in accordance with Section 135 of the Companies Act 2013 and the Rules notified thereunder. CSR focus area for the company is primarily promotion of Education. Within this broad theme specific areas such as school education, education for employment and technical education are included. Persons with disability and Women's Empowerment are cross-cutting themes in these focused areas.

Composition of CSR Committee.

The functions of the CSR Committee provided under section 135 of the Companies Act, 2013 are being discharged by the Board of Directors.

2. **Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

   The CSR policy of the company can be accessed on the website of the Company www.zen3tech.com

3. **Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014. – N.A.**
4. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year. - NIL**
5. **Average net profit of the company as per section 135(5).**

   FY 21-22 – ₹ 7,80,00,494/-

   FY 22-23 – ₹ 3,37,89,230/-

   FY 23-24 – ₹ 6,08,80,436/-

   The Average Net Profit before Tax is ₹ 5,75,56,696/-

6. **(a) Two percent of average net profit of the company as per section 135(5) –** ₹11,51,134/-

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. – NIL

   (c) Amount required to be set off for the financial year, if any – NIL

   (d) Total CSR obligation for the financial year (7a+7b-7c). – ₹ **11,51,134/-**

7. **(a) CSR amount spent or unspent for the financial year 2024-2025**

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹) - NIL				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
11,52,000	NIL	N.A.	N.A.	NIL	N.A.

(b) Amount spent in Administrative Overheads - NIL

(c) Amount spent on Impact Assessment – N.A.

(d) Total amount spent for the Financial Year 2023-2024 (8b+8c+8d+8e) – ₹ 11,52,000/-

(e) Excess amount for set off – ₹ 866/-

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	11,51,134
(ii)	Total amount spent for the Financial Year	11,52,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	866
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	866

8. (a) Details of Unspent CSR amount for the preceding three financial years: NIL

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	2021-2022	NIL	NIL	NIL	NIL	NIL	NIL
2.	2022-2023	NIL	NIL	NIL	NIL	NIL	NIL
3.	2023-2024	NIL	NIL	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL	NIL	NIL

9. Details relating to the asset created or acquired through CSR spent in the financial year - N.A.

(a) Date of creation or acquisition of the capital asset(s). – N.A.

(b) Amount of CSR spent for creation or acquisition of capital asset. – N.A.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. – N.A.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). – N.A

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – N.A.

Place: Hyderabad
Date: 24.04.2025

For and on Behalf of the Board
ZEN3 INFOSOLUTIONS PRIVATE LIMITED

Heena N Shah
Director
DIN: 10099961

Bharat Vasudevan
Director
DIN: 05307157

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ZEN3 INFOSOLUTIONS PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Zen3 Infosolutions Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, the loss , changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to Note 1 to the standalone financial statements, which indicates that the Company has transferred its ongoing projects to a fellow subsidiary, and all on-roll employees have been transitioned to the Parent Company. These events have resulted in a lack of visibility regarding the Company's future revenue streams. As stated in Note 1, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Information Other than the Standalone Financial Statements and Auditor's 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 and Shareholder's information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone 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.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding t he 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. In the present case, all the assets and liabilities are measured at carrying value basis since the management and Board of Directors have concluded that the use of going concern basis is not appropriate in the facts and circumstances as stated in Note 1 to the financial statements.

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

Auditor's Responsibilities for the Audit of the Standalone 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:

(a) Identify and assess the risks of material misstatement of the Standalone 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.

(b) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.

(c) 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 standalone 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. In the present case, all the assets and liabilities are measured at carrying value basis since the management and Board of Director have concluded that the use of going concern basis is not appropriate in the facts and circumstances as stated in Note 1 to the financial statements.

(d) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the standalone 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 standalone 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit 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 including other comprehensive income, 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 standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   (h) 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,as amended, 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 in its standalone financial statements.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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;

(c) The Company has not declared or paid any dividend during the year in accordance with Section 123 of the Companies Act, 2013.

v. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2 above on reporting under Section 143(3)(b) and paragraph vi below on reporting under Rule 11(g).

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has not been operated throughout the year for all relevant transactions recorded in the software.

For K Vijayaraghavan & Associates LLP
Chartered Accountants
Firm Registration No. S200040/004718S

K. Ragunathan
Partner
Membership No. 213723
UDIN: 25213723BMJEYF9708

Place: Hyderabad
Date: 24-04-2025

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report to the members of "Zen3 Infosolutions Private Limited" of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state 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 and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of Intangible assets.

(b) The Company has a programme of physical verification of Property, Plant and Equipment and right-of-use assets by which Property, Plant and Equipment and right-of-use assets are verified in a phased manner over a period of 1 year. In accordance with this programme, certain Property, Plant and Equipment were verified by the Management during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) Based on our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including right-of-use assets) or intangible assets or both during the year. Accordingly, clause 3(i)(d) of the Order is not applicable.

(e) There are no proceedings which have been initiated during the year or are pending against the Company as at 31st March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The Company does not have any inventory. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate at any points of time during the year, from banks or financial institutions on the basis of the security of current assets. Accordingly, clause 3(ii)(b) of the Order is not applicable.

iii. The Company has neither made any investments in / provided guarantees or security / granted loans or advances in the nature of loans, secured or unsecured loans to companies, firms, Limited Liability Partnerships, other parties. Accordingly,

(a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to Companies, Firms, Limited Liability Partnerships, any other entity during the year. Accordingly, clause 3(iii)(a)(A) and 3(iii)(a)(B) of the Order is not applicable.

(b) The Company has neither made any investments nor has given or provided any securities or guarantees. Accordingly, clause 3(iii)(b) of the Order is not applicable.

(c) The Company has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Accordingly, clause 3(iii)(c) of the Order is not applicable.

(d) The Company has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Accordingly, clause 3(iii)(d) of the Order is not applicable.

(e) The Company has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Accordingly, clause 3(iii)(e) of the Order is not applicable

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, clause 3(iii)(f) of the Order is not applicable.

iv. The Company has not given any loans or guarantees/ made any investments within the meaning of section 185 and 186 of the Companies Act, 2013. Accordingly, clause 3(iv) of the Order is not applicable.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits as per the directives issued by the reserve bank of India and sections 73 to 76 of the Companies Act, 2013 and the rules thereunder. Accordingly, clause 3(v) of the Order is not applicable.

vi. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Accordingly, clause 3(vi) of the Order is not applicable.

vii. In respect of statutory dues:

(a) The Company is not regular in depositing undisputed statutory dues Goods and Service tax, Provident fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues. The following are the details of the Dues that have been outstanding for a period of more than 6 months from the date they become payable, as on the last day of the financial year.

Name of the Statue	Nature of Dues	Amount (₹)	Period to which Amount relates
Goods and Service Tax Act,2017	CGST	2,70,600	23-24
Employee's Provident Fund Act,1952	Provident Fund	10,61,099	22-23
Employee's Provident Fund Act,1952	Provident Fund	5,06,665	23-24
Employee's Provident Fund Act,1952	Provident Fund	1,83,971	24-25

(b) There are no statutory dues relating to Goods and Service tax, Provident fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues which have not been deposited on account of any dispute.

viii. The Company does not have any 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. (a) The Company has not taken any loans or other borrowings from any lender. Accordingly, clause 3(ix)(a) of the Order is not applicable.

(b) The Company has not been declared a wilful defaulter by any bank or financial institution or lender or government or government authority. Accordingly, clause 3(ix)(b) of the Order is not applicable

(c) The Company has not taken any term loans during the year and there are no outstanding term loans at the beginning of the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, the Company has no funds raised on short-term basis. Accordingly, clause 3(ix)(d) of the Order is not applicable.

xii. The Company is not a Nidhi company. Accordingly, clause 3(xii) of the Order is not applicable.

xiii. The Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with related parties, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. Based on the size and business activity, the Company does not have any requirement for an internal audit system. Accordingly, clause 3(xiv)(a) and clause 3(xiv)(b) of the Order is not applicable.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a), 3(xvi)(b) and 3(xvi)(c) of the Order are not applicable.

(b) In our opinion, there is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has incurred INR 0.55 million cash losses during the financial year covered by our audit and there are no cash losses immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

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 the Company is not capable 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. There are no unspent amounts towards Corporate Social Responsibility (CSR) on any projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) and (6) of Section 135 of the said Act. Accordingly, clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable for the year.

For K Vijayaraghavan & Associates LLP
Chartered Accountants
Firm Registration No. S200040/004718S

K. Ragunathan
Partner
Membership No. 213723
UDIN: 25213723BMJEYF9708

Place: Hyderabad
Date: 24-04-2025

ANNEXURE B TO THE AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of "Zen3 Infosolutions Private Limited" of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 "Zen3 Infosolutions Private Limited" ("the Company") as of 31st March, 2025 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls 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. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing 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 judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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 standalone 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:

(a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(b) 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

(c) 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, to the best of our information and according to the explanations given to us, 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 31st March, 2025, 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 K Vijayaraghavan & Associates LLP
Chartered Accountants
Firm Registration No. S200040/004718S

K. Ragunathan
Partner
Membership No. 213723
UDIN: 25213723BMJEYF9708

Place: Hyderabad
Date: 24-04-2025

STANDALONE BALANCE SHEET AS AT

(Amount expressed in ₹ (in Millions) unless otherwise stated)

Particulars	Notes	31-Mar-2025	31-Mar-2024
I Assets			
Non-Current Assets			
(a) Property, Plant and Equipment	2	**-**	15.29
(b) Other Intangible Assets	3	**-**	0.03
(c) Right of use assets	5	**-**	24.33
(d) Financial Assets			
(i) Other Financial Assets	7	**-**	6.98
(e) Deferred Tax Assets	8	**-**	8.57
Total - Non-Current Assets (A)		**-**	55.19
Current Assets			
(a) Non Current assets held for Sale	4	**8.85**	-
(b) Right of use assets	5	**6.08**	-
(c) Financial Assets			
(i) Trade receivables		**-**	63.21
(ii) Cash and cash equivalents	9	**244.77**	209.83
(iii) Other Financial Assets		**44.87**	2.27
(d) Other Current assets	10	**23.84**	56.23
Total Current Assets (B)		**328.41**	331.54
Total Assets (A+B)		**328.41**	386.73
Equity And Liabilities			
Equity			
(a) Equity Share Captial	11	**10.00**	10.00
(b) Other Equity	12	**273.04**	288.78
Total Equity		**283.04**	298.78
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	5	**-**	24.85
(b) Provisions		**-**	17.13
Total Non-Current Liabilities (C)		**-**	41.99
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	13		
(A) total outstanding dues of micro enterprises and small enterprises; and		**0.04**	1.52
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		**0.12**	5.32
(ii) Lease liabilities	5	**6.88**	-
(b) Other current liabilities		**37.84**	34.45
(c) Provisions		**0.49**	4.68
Total Current Liabilities (D)		**45.37**	45.96
Total Equity and Liabilities (C+D)		**328.41**	386.73
Summary of Significant Accounting Policies	1		
The accompanying notes are an integral part of the standalone financial statements.	2 to 40		

As per our Report of even date
For K Vijayaraghavan & Associates LLP
Chartered Accountants
Firm Registration No.: 004718S/S200040

K. Ragunathan
Partner
Membership No.: 213723

Place: Hyderabad
Date: 24-04-2025

For and on behalf of the Board of Directors of
Zen3 Infosolutions Private Limited

Heena Nikhil Shah
Director
DIN:10099961

Place: Hyderabad
Date: 24-04-2025

Bharath Vasudevan
Director
DIN: 05307157

Place: Hyderabad
Date: 24-04-2025

STANDALONE STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED

(Amount expressed in ₹ (in Millions) unless otherwise stated)

Particulars	Notes	31-Mar-2025	31-Mar-2024
Discontinued Operations			
Revenue from Operations	16	**307.96**	767.87
Other Income	17	**9.96**	11.08
Total Income [I]		**317.92**	778.95
Expenses			
Employee Benefit Expenses	18	**292.34**	589.64
Finance Costs	19	**-**	1.75
Depreciation and Amortization Expense	20	**-**	29.85
Other Expenses	21	**30.08**	96.83
Total Expenses [II]		**322.42**	718.07
Profit/(Loss) before exceptional items and tax from discontinued operations [I-II]		**(4.50)**	60.88
Exceptional Items		**-**	-
Profit/(Loss) before tax from discontinued operations		**(4.50)**	60.88
Tax Expenses			
Current tax	22	**-**	14.97
Prior Year Taxes	22	**2.67**	(1.72)
Deferred tax	22	**7.00**	1.25
Total Tax Expenses		**9.66**	14.50
Profit/(Loss) for the year from discontinued operations [III]		**(14.16)**	46.38
Profit/(Loss) for the year [V=III+IV]		**(14.16)**	46.38
Other Comprehensive Income			
A. (i) Items that will not be reclassified to profit or loss	23	**(1.58)**	(6.28)
(ii) Income tax relating to items that will not be reclassified to profit or loss		**-**	1.58
B. (i) Items that will be reclassified to profit or loss		**-**	-
(ii) Income tax relating to items that will be reclassified to profit or loss		**-**	-
Other Comprehensive Income for the year [VI]		**(1.58)**	(4.70)
Total Comprehensive Income for the year [V+VI]		**(15.74)**	41.68
Earnings per equity share of face value of ₹ 10 each			
Basic - Discontinuing operations (in ₹)	24	**(15.74)**	41.68
Diluted - Discontinuing operations (in ₹)	24	**(15.74)**	41.68
Summary of Significant Accounting Policies	1		
The accompanying Notes are an integral part of the Standalone Financial Statements	2 to 40		

As per our Report of even date
For K Vijayaraghavan & Associates LLP
Chartered Accountants
Firm Registration No.: 004718S/S200040

K. Ragunathan
Partner
Membership No.: 213723

Place: Hyderabad
Date: 24-04-2025

For and on behalf of the Board of Directors of
Zen3 Infosolutions Private Limited

Heena Nikhil Shah
Director
DIN:10099961

Place: Hyderabad
Date: 24-04-2025

Bharath Vasudevan
Director
DIN: 05307157

Place: Hyderabad
Date: 24-04-2025

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED

(Amount expressed in ₹ (in Millions) unless otherwise stated)

Particulars		31-Mar-2025	31-Mar-2024
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit/(Loss) before Tax	**(4.50)**	60.88
	Adjustments For:		
	Depreciation & Amortization expenses	**-**	12.84
	Gain/Loss on disposal of assets	**(1.75)**	(0.33)
	Interest income	**(0.11)**	(0.19)
	Finance Cost	**-**	1.75
	Unrealized Exchange (Gain)/Loss	**-**	(0.03)
	Gratuity and Leave Encashment	**3.95**	9.67
	Loss on derecognition	**-**	1.24
	Rental Income	**(1.39)**	(2.04)
	Interest on Income Tax Refund	**-**	-
	Amortization of ROU Asset	**-**	17.01
	Miscellaneous Income	**-**	-
	Balances written back	**(3.18)**	-
	Operating Profit before Working Capital Changes	**(6.98)**	100.79
	Changes in Working Capital:		
	Adjustments for (increase)/decrease in operating assets:		
	Trade Receivables	**63.21**	96.90
	Short Term Loans and advances	**-**	-
	Other current assets	**1.57**	8.82
	Other Non Current Assets	**6.98**	-
	Long Term Loans and Advances	**-**	-
	Other Financial Assets	**(16.43)**	0.90
	Adjustments for increase/(decrease) in operating liabilities:		-
	Trade Payables	**(6.68)**	(9.97)
	Other current liabilities	**3.40**	8.16
	Other Financial Liabilities	**-**	-
	Short term provisions	**0.49**	-
	Cash Generated from Operations	**45.55**	205.61
	Benefits Paid	**(25.79)**	(13.22)
	Taxes Paid (Net)	**36.58**	(26.33)
	Prior period taxes	**(2.67)**	-
	Net Cash from/(used in) Operating Activities	**53.67**	166.06
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Miscellaneous Income	**-**	-
	Non-current investments (Gratuity)	**-**	-
	Non-current investments (Leave Encashment)	**-**	-
	Rental Income	**1.39**	2.04
	Interest on Income Tax Refund	**-**	
	Purchase of Fixed Assets	**(1.47)**	(0.63)
	Sale of Fixed Assets	**1.75**	-
	Net Cash from/(used in) Investing Activities	**1.66**	1.41

Particulars	31-Mar-2025	31-Mar-2024
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost	**-**	
Interest Income from banks	**0.11**	0.19
Shares Issued	**-**	-
Lease Payments	**(20.52)**	(19.54)
Net Cash from/(used in) Financing Activities	**(20.40)**	(19.35)
Cash and Cash Equivalents at the Beginning of the Year	**209.83**	61.69
Effect of exchange rate changes on cash and cash equivalents	**-**	0.03
Net increase/(decrease) in Cash and Cash Equivalents	**34.93**	148.12
Cash and Cash Equivalents at the End of the Year	**244.77**	209.83

(i) "The Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) -7 "Statement of Cash Flows" prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 of the Companies Act, 2013."

(ii) Figures in bracket indicate cash outgo, except for adjustments for operating activities.

(iii) Previous year's figures have been regrouped/rearranged wherever necessary.

As per our Report of even date
For K Vijayaraghavan & Associates LLP
Chartered Accountants
Firm Registration No.: 004718S/S200040

K. Ragunathan
Partner
Membership No.: 213723

Place: Hyderabad
Date: 24-04-2025

For and on behalf of the Board of Directors of
Zen3 Infosolutions Private Limited

Heena Nikhil Shah
Director
DIN:10099961

Place: Hyderabad
Date: 24-04-2025

Bharath Vasudevan
Director
DIN: 05307157

Place: Hyderabad
Date: 24-04-2025

STANDALONE STATEMENT OF CHANGES IN EQUITY

(Amount expressed in ₹ (in Millions) unless otherwise stated)

A Equity Share Capital

1 As at 31 March, 2025 (Current Period)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
10.00	**-**	**10.00**	**-**	**10.00**

2 As at 31 March, 2024 (PreviousPeriod)

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
10.00	-	10.00	-	10.00

B Other Equity

1 As at 31 March, 2025 (Current Period)

Particulars	**Reserves and Surplus**	**Items of other comprehensive income**	**Total**
	Retained Earnings	**Other Components (Actuarial gains/(losses)**	
Balance at the beginning of the current reporting period	**288.78**	**-**	**288.78**
Changes in accounting policy or prior period errors	**-**	**-**	**-**
Restated balance at the beginning of the current reporting period	**288.78**	**-**	**288.78**
Total Comprehensive Income for the current year	**(14.16)**	**(1.58)**	**(15.74)**
Dividends	**-**	**-**	**-**
Transfer to retained earnings	**(14.16)**	**(1.58)**	**(15.74)**
Any other change (to be specified)	**-**	**-**	**-**
Balance at the end of the current reporting period	**274.62**	**(1.58)**	**273.04**

2 As at 31 March, 2024 (PreviousPeriod)

Particulars	Reserves and Surplus	Items of other comprehensive income	Total
	Retained Earnings	Other Components (Actuarial gains/(losses)	
Balance at the beginning of the previous reporting period	247.10	-	247.10
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the previous reporting period	247.10	-	247.10
Total Comprehensive Income for the previous year	46.38	(4.70)	41.68
Dividends	-	-	-
Transfer to retained earnings	46.38	(4.70)	41.68
Any other change (to be specified)	-	-	-
Balance at the end of the previous reporting period	293.48	(4.70)	288.78

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Amount expressed in ₹ (in Millions) unless otherwise stated)

1 Corporate Information

Zen3 Infosolution Private Limited is a private limited company domiciled in India and is wholly owned subsidiary of Tech Mahindra Limited, incorporated under the provisions of the Companies Act, 2013 on 28th December, 2015 having registered address at Unit 1201&1202, 12th Floor, Manjeera Trinity Corporate, KPHB, Hyderabad Rangareddi TG 500072 IN. The Company is a leading software solutions group developing innovative solutions for media, travel and technology industries. It has a domain expertise in big data, machine learning and content solutions. The Company services customers in UK, US and India. It has technology professionals working in various worldwide locations delivering innovative digital media and technology solutions.

Operational Outlook

During the year, all operational projects of the Company were transferred to Allyis India(Fellow Subsidiary), and all on-roll employees were transitioned to Tech Mahindra Limited, the parent company. Although the parent company has expressed its commitment to provide continued financial support to cover the Company's regular administrative expenses, there are currently no active projects or confirmed business orders. Moreover, no viable alternate business plan is under implementation as of the reporting date.

In view of these developments, the management has assessed the appropriateness of applying the "going concern" assumption in the preparation of the financial statements. Considering the cessation of operations and the lack of visibility into future revenues, management has concluded that the going concern assumption is no longer appropriate for the financial year ended 31st March 2025.

Accordingly, the financial statements of the Company have been prepared on a carrying value basis.

Despite the current discontinued operations, the management, in consultation with the Board and the parent company, is actively considering a proposal to merge the Company with Tech Mahindra Limited. This potential merger is aimed at simplifying the group's corporate structure, create economies in administrative and managerial costs and facilitate the transfer of all assets and liabilities at thier carrying amounts.

1A Statement of Compliance

These financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time as notified under section 133 of Companies Act, 2013, the relevant provisions of the Companies Act, 2013 ("the Act") and the guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

1B Basis of Preparation

These Standalone financial statements are prepared under the non going concern basis and at historical cost convention on accrual basis except for certain financial instruments which are measured at fair values and Defined Benefit Plans which are measured as per actuarial valuation.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Company's Financial Statements are presented in Indian Rupees (INR), which is also its functional currency and all values are rounded to the nearest millions (`000,000), upto 2 decimals except when otherwise indicated. The Company has ascertained its operating cycle as upto twelve months for the purpose of current and non-current classification of assets and liabilities.

1C Material Accounting Policy Information

(a) Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods affected.

(b) Property, Plant and Equipment

Property, plant and equipment are stated at acquisition or construction cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management. Items such as spare parts, standby equipment and servicing equipment are recognised as PPE when these are held for use in the production or supply of goods or services, or for administrative purpose, and are expected to be used for more than one year. Otherwise, such items are classified as inventory.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the reporting date.

The charge in respect of periodic depreciation is derived at after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life in accordance with Schedule II of Companies Act, 2013. The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows :

Particulars	Useful Life as per Schedule II
Computer and other equipment	3
Software	3
Servers and Networks	6
Office Equipment	5
Furniture and Fixtures	10

Also, useful life of the part of PPE which is significant to the total cost of PPE, has been separately assessed and depreciation has been provided accordingly.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition, and in case of a new Project, from the date of commencement of commercial production. Depreciation on deductions/ disposals is provided on a pro-rata basis up to the month preceding the month of deduction/disposal.

(c) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/ depletion and impairment losses, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the Intangible Assets.

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 entity and the cost can be measured reliably.

Revenue expenditure on research is expensed under the respective heads of the account in the period in which it is incurred.PPE procured for research and development activities are capitalised.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Intangible Assets Under Development.

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is as under:

- Computer software is amortised over a period of 3 years.

The amortisation period and the amortisation method for Intangible Assets with a finite useful life are reviewed at each reporting date.

(d) Classification of Assets and Liabilities as Current and Non-Current

All assets and liabilities are classified as current or noncurrent as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 month period has been considered by the Company as its normal operating cycle.

(e) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. However trade receivables are initially measured at the 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 Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Statement of Profit and Loss (FVTPL) are recognised immediately in Statement Profit and Loss.

(1) Financial Assets

All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(2) Financial Liabilities

All financial liabilities are initially recognised at the value of respective contractual obligations. Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance Costs' line item.

(f) Cash Flow

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non –cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(g) Leases

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if

i. the contract conveys the right to control the use of an identified asset.

ii. the Company has substantially all of the economic benefits from the use of the asset through the period of lease and;

iii. the Company has the right to direct the use of the asset.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received

The right-of-use assets is subsequently 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 lease liability is measured at amortised cost using the effective interest method. 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.

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

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

(h) Revenue Recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Revenue is recognized to depict the transfer of promised products or services to customers. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amount collected on behalf of third party.

Revenue from services:

(1) Services provided to holding company:

The company provides back-end services to its holding company in the form of business support and software development services. Such services are charged to the company at an applicable mark-up on the operating cost which is the transaction price as defined in MSA.

(2) Services provided to third parties:

Revenue from operations comprises of Income earned from DTA Services and Software Development Services.Revenue from software services primarily consists of services performed on a contract basis. The related revenue is recognized upon completion of Milestones described in customer agreements.

(i) Cash and Cash Equivalents

Cash and Cash Equivalents comprise cash on hand and cash at banks, including fixed deposit with original maturity period of three months or less and short-term highly liquid investments with an original maturity of three months or less.

(j) Foreign Currency Transactions

Foreign currency transactions are recognized at the rates of exchange prevailing on the dates of the transaction. Liabilities and assets in foreign currency are recognized in the accounts as per the following governing principles:

Non-monetary items denominated in a foreign currency and measured at historical cost are not re-transalated. The related revenue and expense are recognized using the same exchange rate.

At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date.

Exchange differences on monetary items are recognised in the Standalone Statement of Profit and Loss in the period in which these arise except for:

a) Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and

b) Exchange differences relating to qualifying effective cash flow hedges.

(k) Short-Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

(l) Post Employement Benefits

(i) Defined Contribution Plans

The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheetdate, then excess is recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

(ii) Gratuity

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (if any)(excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Past service costs are recognised in statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and nonroutine settlements; and
- Net interest expense or income.

The present value of obligation is determined based on actuarial valuation using the Projected Unit CreditMethod as prescribed by the Ind AS-19 ‘Employee Benefits’, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up final obligation.

(iii) Compensated Absence Policy:

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or encash the leaves during the period of employment or retirement or at termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation using the projected unit credit method. Non-accumulating compensated absences are recognised in the period in which the absences occur.

(m) Embeded Derivative

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to

a standalone derivative. An embedded derivative causes some or all of the cash flows that would otherwise be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable, that the variable is not specific to a party to the contract. Re-assessment 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 re-classification of a financial asset out of the fair value through profit or loss. If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109, to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value, if their economic characteristics and risks are not closely related to those of the host contracts, and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

1D Other Accounting Policies

(a) Impairement

(a.1) Impairment of Financial Assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. In case of financial assets, the Company follows the simplified approach permitted by Ind AS 109 –Financial Instruments – for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk of trade receivable. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

(a.2) Impairment of Non-Financial Assets

Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets:

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where 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.

Intangible assets not yet available for use, are tested for impairment annually at each balance sheet date, or earlier, if there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of Profit and Loss.

(b) Non-current Assets Held for Sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable.

A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification. Non-current assets held for sale are neither depreciated nor amortised.

Assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less cost of disposal and are presented separately in the Balance Sheet.

(c) Borrowing Costs

Borrowing Costs include interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the

extent they are regarded as an adjustment to the interest cost. Borrowing costs, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use, are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed, in the period they occur, in the Statement of Profit and Loss.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

(d) Government Grants

Government Grants are recognised when there is a reasonable assurance that the same will be received and all attaching conditions will be complied with. Revenue grants are recognised in the Statement of Profit and Loss. Capital grants relating to specific Tangible or Intangible Assets are recognized as income on a systematic basis over the expected useful life of the related asset. Other capital grants in the nature of promoter's contribution are credited to capital reserve. In case a grant is received for a non-monetary asset, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life.

(e) Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss as and when incurred.

Development costs are capitalised as an intangible asset if it can be demonstrated that the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the entity and the costs of the asset can be measured reliably, else it is charged to the Statement of Profit and Loss.

(f) Taxes on Income

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income. In which case, the tax is also recognised in Other Comprehensive Income.

(i) Current Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

(ii) Deferred Taxation

Deferred tax is recognised based on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

(g) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

(h) Contingent Assets and Liabilities

Disclosure of contingent liability is made 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 embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(i) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(j) Investments

The Company has accounted for its investments in Subsidiaries, associates and joint venture at cost less impairment loss (if any). The investments in preference shares with the right of surplus assets which are in nature of equity in accordance with Ind AS 32 are treated as separate category of investment and measured at FVTOCI.

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'. However,dividend on such equity investments are recognised in Statement of Profit and loss when the Company's right to receive payment is established.

(k) Segment Reporting

Identification of Segments- Operating Segments are identified based on monitoring of operating results by the chief operating decision maker (CODM) separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss, and is measured consistently with profit or loss of the Group.

Operating Segment is identified based on the nature of products and services, the different risks and returns, and the internal business reporting system.

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole. Further, inter-segment revenue has been accounted for based on the transaction price agreed to between segments, which is primarily market based. Unallocated Corporate Items include general corporate income and expenses, which are not attributable to segments.

Detailed disclosure in separate sheet

2 Property, Plant & Equipment	Computer Systems & Accessories	Servers and Networks	Furniture & Fittings	Mobiles	Office Equipment	Total
Cost/Deemed cost						
At 31 March 2024	**87.96**	**0.29**	**13.73**	**0.61**	**1.00**	**103.60**
Adjustments	0.28	-	-	-	-	0.28
Additions	1.47	-	-	-	-	1.47
Deletions	18.00	-	-	-	-	18.00
Reclassification as held for sale	71.72	0.29	13.73	0.61	1.00	87.36
At 31 March 2025	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation and impairment						
At 31 March 2024	**76.54**	**0.27**	**10.32**	**0.21**	**0.97**	**88.31**
Adjustments	0.32	(0.03)	-	-	-	0.28
Depreciation charge for the year	7.09	0.02	0.63	0.19	0.01	7.93
Disposals	18.00	-	-	-	-	18.00
Reclassification as held for sale	65.95	0.26	10.95	0.40	0.97	78.53
At 31 March 2025	**-**	**-**	**-**	**-**	**-**	**-**
Net book value						**-**
At 31 March 2025	**-**	**-**	**-**	**-**	**-**	**-**
At 31 March 2024	**11.42**	**0.02**	**3.41**	**0.40**	**0.03**	**15.29**

Disclosure regarding the title deeds not held in the name of the company:

There are no such case as at the balance sheet date.

Disclosure of revaluation of Assets:

During the year, the Company has not revalued its Property, Plant and Equipments.

3 Other Intangible Assets	Licences	Total
Cost/Deemed cost		
At 31 March 2024	**8.56**	**8.56**
Adjustments	(0.63)	
Additions	-	-
Deletions	-	-
Reclassification as held for sale	7.93	8.56
At 31 March 2025	**-**	**-**
Amortisation and impairment		
At 31 March 2024	**8.53**	**8.53**
Adjustments	(0.63)	
Amortisation charge for the year	-	-
Disposals	-	-
Reclassification as held for sale	7.90	8.53
At 31 March 2025	**-**	**-**
Net book value		
At 31 March 2025	**-**	**-**
At 31 March 2024	**0.03**	**0.03**

4 Non Current Assets held for Sale	3/31/2025	3/31/2024
Assets Classified as held for sale	**8.85**	-
Total	**8.85**	-

5 Leases

Except as specified below, the company has consistently applied the accounting policies to all periods presented in this financial statement. The company has applied Ind AS 116 with the date of initial application of 1st April, 2019. As a result, the company has changed its accounting policy for lease contracts as detailed below.

The company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognized in retained earnings at 1st April, 2019.

Particulars	Amount
Lease commitments as at 1st April, 2024	24.85
Add/(less): contracts reassessed as lease contracts	-
Add/(less): adjustments on account of extension/termination	-
Add/(less): Finance cost	2.54
Add/(less): Payments	(20.52)
Lease liabilities as on 31st March 2025	**6.88**
Current lease liability	6.88
Non current lease liabilities	-

Right of use assets of Rs. 2,88,87,031 and lease liabilities of Rs. 2,88,87,031 have been recognised as on 1st January 2024.

As Lessee

(A) Additions to right of use assets

Property, plant and equipment comprises owned.

Particulars	31.03.2025	31.03.2024
Property, plant and equipment owned	**-**	-
Right-of-use assets, except for investment property	**-**	28.89

(B) Carrying value of right of use assets at the end of the reporting period by class

Particulars	Class 1	Total
Balance at 1 April 2024	24.33	24.33
Depreciation charge for the year	(18.24)	(18.24)
Balance at 31 March 2025	6.08	6.08

(C) Maturity analysis of lease liabilities

Maturity analysis – contractual undiscounted cash flows	31.03.2025	31.03.2024
Less than one year	**6.88**	-
One to five years	**-**	24.85
More than five years	**-**	-
Total undiscounted lease liabilities at 31 March 2025	**6.88**	24.85
Lease liabilities included in the statement of financial position at 31 March 2025	**6.88**	24.85
Current	**6.88**	-
Non-Current	**-**	24.85

(D) Amounts recognised in Statement of Profit & Loss

Particulars	31.03.2025	31.03.2024
Interest on lease liabilities	**-**	1.75
Variable lease payments not included in the measurement of lease liabilities	**-**	-
Income from sub-leasing right-of-use assets	**-**	-
Expenses relating to short-term leases	**-**	-
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	**-**	-

(E) Amounts recognised in the statement of cash flows

Particulars	31.03.2025	31.03.2024
Total cash outflow for leases	**20.52**	19.54

6 Trade Receivables

	31.03.2025		31.03.2024	
	Non-current	**Current**	Non-current	Current
Unsecured				
— From Related Parties	**-**	**-**	-	30.11
— From Others	**-**	**-**	-	33.10
Total Trade Receivables	**-**	**-**	-	63.21

Note 6.1

Particulars	**Outstanding for following periods from due date of payment***					
	Less than 6 months	**6 months - 1 year**	**1 year - 2 years**	**2 years- 3 years**	**More than 3 years**	**Total**
As at 31 March 2025:						
(i) Undisputed - Considered good	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**-**	**-**	**-**	**-**	**-**

Note 6.2

Particulars	Outstanding for following periods from due date of payment*					
	Less than 6 months	6 months - 1 year	1 year - 2 years	2 years- 3 years	More than 3 years	Total
As at 31 March 2024:						
(i) Undisputed - Considered good	54.22	8.99	-	-	-	63.21
Total	54.22	8.99	-	-	-	63.21

7 Other Financial Asset

	31.03.2025		31.03.2024	
	Non-current	**Current**	Non-current	Current
Security Deposits				
Rental and Other deposits - Manjeera	**-**	**6.48**	6.48	
Rental and Other deposits - Others	**-**	**1.45**	-	1.45
Rental and Other deposits - VC	**-**	**-**	-	0.81
Bank Deposits(Maturity more than 12 months)	**-**	**-**	0.50	-
Other Receivables	**-**	**36.94**	-	-
Total	**-**	**44.87**	6.98	2.27

8 Defered Tax Asset

	31.03.2025	**31.03.2024**
(a) Deferred Tax Asset		
On account of		
Depreciation	**-**	2.95
Provision for Employee Benefits	**-**	3.91
Leases	**-**	0.13
(b) Deferred Tax Asset (OCI)		
On account of		
Acturial assumptions	**-**	1.58
Total	**-**	8.57

Note 8.1: Movement in Deferred Tax Assets

Particulars	Charge/(Credit) to Statement of P&L		Charge/(Credit) to OCI	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
Deferred Tax Asset –				
Depreciation	**-**	2.95	**-**	-
Provision for Employee Benefits	**-**	3.91	**-**	1.58
Leases	**-**	0.13	**-**	-
Total	**-**	6.99	**-**	1.58

9	**Cash and Bank Balances**	31.03.2025	31.03.2024
	Balances with banks		
	Balances in Banks(Current - INR)	**243.21**	208.77
	Bank deposits (Maturity less than 12 months)	**1.56**	1.06
	Total	**244.77**	209.83

10	**Other Current Assets**	31.03.2025	31.03.2024
	Advances other than capital advances		
	— Loans and advances to employees	**-**	1.10
	— Other Advances	**0.01**	0.00
	Prepaid expenses	**1.82**	1.36
	Balance with Govt authorities	**0.38**	1.49
	Income Tax Refundable	**21.19**	51.95
	Accrued Interest	**0.44**	0.33
	Total	**23.84**	56.23

11	**Share Capital**	31.03.2025	31.03.2024
	Authorized:		
	10,00,000 Equity Shares of Rs.10/- each	**10.00**	10.00
	Issued and Subscribed and Paid Up :		
	10,00,000 Equity Shares of Rs.10/- each, fully paid up	**10.00**	10.00
	Issued and Subscribed but not fully paid up :		
	Equity Shares of Rs.10/- each, not fully paid up	**-**	-
	Total	**10.00**	10.00

Note 11.1: Reconciliation of number of Ordinary (Equity) Shares and amount outstanding :

Particulars	31.03.2025		31.03.2024	
	No. of Shares	Amount	No. of Shares	Amount
Balance as at the beginning of the year	**1,000,000**	**10.00**	1,000,000	10.00
Add : Issued during the year for cash	**-**	**-**	-	-
Balance as at the end of the year	**1,000,000**	**10.00**	1,000,000	10.00

Note 11.2: Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of 10 per share. 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 preferential amounts, in proportion to their shareholding.

Note 11.3: Details of Equity Shares held by shareholders including the holding company:

Name of the Shareholder	31.03.2025		31.03.2024	
	No. of Shares	**% Shareholding**	No. of Shares	% Shareholding
Shares held by holding or ultimate holding company:				
Tech Mahindra Limited - Holding Company	**999,999**	**99.9999%**	999,999	99.9999%
Vivek Satish Agarwal	**1**	**0.0001%**	1	0.0001%

Note 11.4: Details of Equity Shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of the Shareholder	31.03.2025		31.03.2024	
	No. of Shares	**% Shareholding**	No. of Shares	% Shareholding
Equity Shares				
Tech Mahindra Limited	**999,999**	**99.9999%**	999,999	99.9999%

Note 11.5: Shares held by promoters at the end of the year

S. No	Promoter name	No. of Shares**	% of total shares	% Change during the year
1	Vivek Satish Agarwal	1	0.0001%	0.00%
2	Tech Mahindra Limited	999,999	99.9999%	0.00%
	Total	**1,000,000**	**100.00%**	**0.00%**

Note 11.6: Other Notes

(i) The company has not issued any shares without payment being in cash.
(ii) There has been no issue of bonus shares or right shares.
(iii) The company has not undertaken any buy-back of shares.
(iv) The company has not reserved any shares for issue under options.
(v) The company has not entered into any contract or commitment for the sale of shares or disinvestment.

12	**Other Equity**	**31.03.2025**	**31.03.2024**
	Retained Earnings		
	Opening Balance	**288.78**	247.10
	Net Profit /(Loss) for the year as per the Statement of Profit and Loss	**(14.16)**	46.38
	Other Comprehensive Income	**(1.58)**	(4.70)
	Net Surplus in the Statement of Profit and Loss	**273.04**	288.78

13	**Trade Payables**	**31.03.2025**	31.03.2024
	Current :		
	(a) Total outstanding dues of micro enterprises and small enterprises	**0.04**	1.52
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	**0.12**	5.32
	Total	**0.16**	6.84

Note 13.1

Particulars	**Outstanding for following periods from due date of payment**				
	Less than 1 year	**1-2 years**	**2 years- 3 years**	**More than 3 years**	**Total**
As at 31st March 2025					
(i) MSME	**0.04**	**-**	**-**	**-**	**0.04**
(ii) Others	**0.12**	**-**	**-**	**-**	**0.12**
Total	**0.16**	**-**	**-**	**-**	**0.16**

Note 13.2

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2 years- 3 years	More than 3 years	Total
As at 31st March 2024					
(i) MSME	1.52	-	-	-	-
(ii) Others	5.18	0.13	-	-	-
Total	6.70	0.13	-	-	-

Note 13.3: Dues to micro and small enterprises - As per Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED' Act)

This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	**31.03.2025**	**31.03.2024**
1. Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.04	1.52
2. Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
3. Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
4. Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
5. Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
6. Interest due and payable towards suppliers registered under MSMED Act, for payments already made.	-	-
7. Further interest remaining due and payable for earlier years	-	-

14 Provisions	**31.03.2025**		**31.03.2024**	
	Non- current	**Current**	Non- current	Current
(a) Provision for employee benefits				
Provision for gratuity	**-**	**-**	11.44	2.33
Provision for Leave Encashment	**-**	**-**	5.69	2.35
Provision for Expenses	**-**	**0.49**	-	-
Total	**-**	**0.49**	17.13	4.68

15 Other Liabilities	31.03.2025		31.03.2024	
Particulars	**Non - current**	**Current**	Non - current	Current
Salaries Payable	**-**	**-**	-	0.93
Statutory Dues Payable	**-**	**3.98**	-	21.50
Staff Allowance	**-**	**-**	-	12.01
Donations Payable	**-**	**-**	-	-
AWT Payable	**-**	**-**	-	0.00
Other Payables		**33.86**		
Total	**-**	**37.84**	-	34.45

16 Revenue From Operations	31.03.2025	31.03.2024
Revenue from Sale of Services		
Income From DTA Services	**179.47**	352.48
Income from Staffing	**128.50**	415.39
Total (A+B+C)	**307.96**	767.87

Note 16.1: Disaggregated revenue information	31.03.2025	31.03.2024
Revenue from contracts with customers disaggregated based on geography		
a. Domestic	**179.47**	352.48
b. Exports	**128.50**	415.39
Total	**307.96**	767.87

17 Other Income	31.03.2025	31.03.2024
Interest on Fixed Deposit	**0.11**	0.05
Interest on Term Deposit	**-**	0.14
Interest on Income Tax Refund	**2.60**	-
Foreign Exchange Gain/(Loss)	**0.93**	0.34
Balances written back	**3.18**	8.51
Rental Income	**1.39**	2.04
Gain on sale of Assets	**1.75**	-
Total	**9.96**	11.08

18 Employee Benefit Expenses	31.03.2025	31.03.2024
Salaries and Wages	**274.64**	553.17
Contribution to ESI and PF	**12.93**	26.05
Staff welfare expenses	**0.26**	0.47
Gratuity and Leave Encashment	**3.95**	9.67
Insurance	**0.56**	0.28
Professional Tax	**0.01**	-
Total	**292.34**	589.64

19 Finance Costs	31.03.2025	31.03.2024
Finance Cost	-	1.75
Total	-	1.75

20	**Depreciation & Amortisation Expenses**	**31.03.2025**	**31.03.2024**
	Depreciation on plant, property and equipment	**-**	12.83
	Amortisation on Intangible assets	**-**	0.01
	Amortisation on Right to use Assets	**-**	17.01
	Total	**-**	29.85

21	**Other Expenses**	**31.03.2025**	**31.03.2024**
	Audit Fee	**-**	0.50
	Bad Debts	**0.93**	-
	Rates & Taxes (Penalty)	**0.96**	5.79
	Travelling & Accomodation	**0.85**	0.74
	Rent	**(0.09)**	0.37
	Bank Charges	**0.01**	0.07
	Recruitment Expenses	**3.45**	5.50
	Consultancy Charges	**2.43**	10.32
	Discount Allowed	**2.31**	4.60
	CSR expenditure	**1.15**	1.34
	Electricity Charges	**0.76**	1.48
	Internet & Telephone charges	**1.15**	2.50
	Memberships	**3.84**	20.47
	Administrative Expense	**0.60**	1.25
	Professional Charges	**6.14**	12.16
	Repairs and Maintenance	**2.49**	4.98
	Consultancy - Freelancer expenses	**-**	19.39
	Security Charges	**0.60**	1.17
	Labour Renewal Charges	**-**	0.23
	Software Expenses	**1.35**	
	Miscellaneous Expenses	**1.13**	-
	Balances written off	**-**	3.98
	Total	**30.08**	96.83

Note 21.1: Details of Payment to Auditors for (including taxes):	**31.03.2025**	**31.03.2024**
As Auditor:		
— Audit Fee	**0.40**	0.40
— Tax Audit	**-**	0.10
— Income Tax Return Filing	**-**	-

22	**Tax Expenses**	**31.03.2025**	**31.03.2024**
	Current Tax	**-**	14.97
	Prior Year Taxes	**2.67**	(1.72)
	Deferred Tax	**7.00**	1.25
	Total	**9.66**	14.50

23 Other Comprehensive Income	31.03.2025	31.03.2024
Items that will not be reclassified to profit or loss		
(ii) Remeasurement of the defined benefit plans	**(1.58)**	(6.28)
Other Comprehensive Income- non reclassifiable		
Total	**(1.58)**	(6.28)

24 Earnings per Share	31.03.2025	31.03.2024
(a) Profit for the year (₹)	**(15,739,612)**	41,682,865
(b) Weighted average number of Equity Shares outstanding	**1,000,000**	1,000,000
(c) Effect of potential equity shares on Fully Compulsorily Convertible Preference Shares outstanding	**-**	-
(d) Weighted average number of Equity Shares in computing diluted earnings per share [(b) + (c)]	**1,000,000**	1,000,000
(e) Earnings per share on profit for the year (Face value ₹ 10 per share)		
- Basic [(a)/(b)]	**(15.74)**	41.68
- Diluted [(a)/(d)]	**(15.74)**	41.68

25 Related Party Disclosures

A) Names of related parties and description of relationship:

Party Name	Relationship
Tech Mahindra Limited	Parent Company
Zen3 Infosolutions America Inc	Fellow Subsidiary
Allyis Inc	Fellow Subsidiary
Allyis India Private Limited	Fellow Subsidiary
Narasimham Venkata Rachakonda	Director
Birendrakumar Udairaj Sen	Director
Bharath Vasudevan	Additional Director
Heena Nikhil Shah	Additional Director
Satyam Venture Engineering Services Private Limited	Common Director - Narasimham Venkata Rachakonda
Tech Mahindra Cerium Private Limited	
Ryzohm Services Private Limited	
Allyis India Private Limited	
Tech Mahindra Cerium Private Limited	
Tech Mahindra Growth Factories Limited	
Zen3 Infosolutions Private Limited	
Born Commerce Private Limited	Common Director - Vivek Satish Agarwal
Comviva Technologies Limited	
Excellere Edulearning Private Limited	
Vinear Consulting Services LLP	

B) Transactions with related parties during the year:

Nature of Transaction	Party Name	31.03.2025	31.03.2024
Sales	Tech Mahindra Limited	45.66	129.06
	Zen3 Infosolutions America Inc	-	367.18
	Allyis Inc	128.50	48.21
	Allyis India Pvt Ltd	40.31	-
Rental Income	Allyis India Pvt Ltd	1.39	2.04
Consultancy Charges	Tech Mahindra Cerium Private Limited	1.57	-
Reimbursement Expenses	Tech Mahindra Limited	36.40	-

C) Balances outstanding at the end of the year

Particulars	Party Name	31.03.2025	31.03.2024
Net Trade Receivable	Tech Mahindra Limited	**-**	19.42
	Allyis Inc	**-**	6.52
	Allyis India	**-**	0.13
Net Other Receivable	Tech Mahindra Limited	**3.08**	
Rental Deposit	Tech Mahindra Limited	**1.45**	1.45

26 Corporate Social Responsibility

Particulars	FY 21-22	FY 22-23	FY 23-24
Profit before Tax	78.00	33.79	60.88
Total			172.67
Average			57.56
Prescribed CSR Expenditure for the year			1.15

(i)	Amount required to be spent by the company during the year	1.15
(ii)	Amount of expenditure incurred	1.15
(iii)	Shortfall at the end of the year	-
(iv)	Total of previous years shortfall	-
(v)	Reason for shortfall	-
(vi)	Nature of CSR activities	CSR Focus Area for the company is primarily promotion of Education. Within this broad theme specific areas such as school education, education for employment, and technical education are included.
(vii)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Indian Accounting Standard	Amount of CSR expenditure is transferred to Mahindra Educational Institution
(viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NA

27 Disclosures Required By Indian Accounting Standard 19 - Employee Benefits

27.1 Defined Contribution Plan

The Company has recognised, in the Statement of Profit and Loss for the current year, an amount of INR 1,29,28,586 (previous year INR 2,60,50,648) as expenses under the following defined contribution plan.

Particulars	31.03.2025	31.03.2024
Employer's Contribution to Provident Fund	**12.93**	26.04
Employer's Contribution to ESI	**-**	0.01
Total	**12.93**	26.05

27.2 Defined Benefit Plan

A) Gratuity

The principal actuarial assumptions used in determining gratuity obligation for the Company's plans are made by **M/s. Kapadia Global Actuaries, Pune** shown below:

a)	**Reconcialition for present value of obligations**	**31.03.2025**	**31.03.2024**
	Present value of obligatios as at the beginning of Year	**NA**	11.47
	Transfer in/(out) obligation	**NA**	(6.98)
	Interest Cost	**NA**	0.51
	Current Service Cost	**NA**	4.39
	Benefits paid	**NA**	(1.91)
	Acturial loss/ (gain) on obligation	**NA**	6.28
	Present value of obligations as at the end of year	**-**	13.77

b)	**Expenses Recognised during the year**	**31.03.2025**	**31.03.2024**
	Current Service cost	**NA**	4.39
	Interest Cost	**NA**	0.51
	Expenses to be recognised in the Statement of Profit & Loss	**-**	4.90
	Actuarial (Gain)/ Loss	**NA**	6.28
	Net (Income)/ Expense for the period recognised in OCI	**-**	6.28
	Total Expense recognised during the year	**-**	11.18

c)	**Acturial Assumptions**	**31.03.2025**	**31.03.2024**
	Discount Rate (per annum)	**NA**	7.15%
	Salary Escalation	**NA**	10.00%
	Attrition rate:		
	Upto 25 years	**NA**	30.00%
	25 - 35 years	**NA**	30.00%
	35 - 45 years	**NA**	30.00%
	45 - 55 years	**NA**	30.00%
	55 & above	**NA**	30.00%
	Mortality:		
	20 years	**NA**	0.09%
	30 years	**NA**	0.10%
	40 years	**NA**	0.17%
	50 years	**NA**	0.44%
	60 years	**NA**	1.12%

d) Sensitivity Analysis

The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	**31.03.2025**		**31.03.2024**	
	Decrease	**Increase**	Decrease	Increase
Change in rate of discounting (Delta Effect of +/- 0.5%)	**NA**	**NA**	14.03	13.51
Change in salary growth rate (Delta Effect of +/- 0.5%)	**NA**	**NA**	13.53	14.01
Change in rate of withdrawal rate	**NA**	**NA**	14.52	13.08

B) Leave Encashment

The principal actuarial assumptions used in determining leave encashment obligation for the Company's plans are made by **M/s. Kapadia Global Actuaries, Pune** shown below:

a)	**Reconcialition for present value of obligations**	**31.03.2025**	**31.03.2024**
	Present value of obligations as at the beginning of Year	**NA**	7.61
	Transfer in/(out) obligation	**NA**	(1.43)
	Interest Cost	**NA**	0.47
	Current Service Cost	**NA**	4.17
	Benefits paid	**NA**	(2.90)
	Acturial loss/ (gain) on obligation	**NA**	0.12
	Present value of obligations as at the end of year	**-**	8.04

b)	**Expenses Recognised during the year**	**31.03.2025**	**31.03.2024**
	Current Service cost	**NA**	4.17
	Interest Cost	**NA**	0.47
	Expenses to be recognised in the Statement of Profit & Loss	**-**	4.65
	Actuarial (Gain)/ Loss	**NA**	0.12
	Return on Plan Assets		
	Net (Income)/ Expense for the period recognised in OCI	**-**	0.12
	Total Expense recognised during the year	**-**	4.77

c)	**Acturial Assumptions**	**31.03.2025**	**31.03.2024**
	Discount Rate (per annum)	**NA**	7.15%
	Salary Escalation	**NA**	10.00%
	Attrition rate:		
	Upto 25 years	**NA**	30.00%
	25 - 35 years	**NA**	30.00%
	35 - 45 years	**NA**	30.00%
	45 - 55 years	**NA**	30.00%
	55 & above	**NA**	30.00%
	Mortality:		
	20 years	**NA**	0.09%
	30 years	**NA**	0.10%
	40 years	**NA**	0.17%
	50 years	**NA**	0.44%
	60 years	**NA**	1.12%
	Availment Rate	**NA**	0.00%
	In Service Encashment Rate	**NA**	0.00%

d) Sensitivity Analysis

The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

(INR in Millions)

Particulars	31.03.2025		31.03.2024	
	Decrease	**Increase**	Decrease	Increase
Change in rate of discounting (Delta Effect of +/- 0.5%)	**NA**	**NA**	8.16	7.93
Change in salary growth rate (Delta Effect of +/- 0.5%)	**NA**	**NA**	7.93	8.16
Change in rate of withdrawal rate	**NA**	**NA**	8.13	7.98

These plans typically expose the Company to actuarial risks such as: Investment Risk, Interest Risk, Longevity Risk and Salary Risk.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

28 Disclosure of Foreign Currency Transactions	**31.03.2025**	**31.03.2024**
Earnings in Foreign Exchange		
Sale of Services	**128.50**	415.39

29 Capital Management

The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders. The company manages its capital structure and makes adjustment in light of changes in business condition. The overall strategy remains unchanged as compare to last year.

30 Financial Risk Management

The Company's activities expose it to liquidity risk and credit risk. This note explains the sources of risks which the entity is exposed to and how it mitigates that risk.

a) Liquidity Risk

Liquidity risk is the risk that suitable sources of funding for the company's business activities may not be available. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due, so that the company is not forced to obtain funds at higher rates. The Company monitors rolling forecasts of the Company's cash flow position and ensure that the Company is able to meet its financial obligation at all times including contingencies.

b) Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the company. It arises from cash and cash equivalents, derivative financial instruments, deposits from financial institutions and principally from credit exposures to customers relating to outstanding receivables. The Company does not deal with highly rated counterparties.

(c) Currency Risk

The Company is subject to the risk that changes in foreign currency values impact the Company's exports revenue and imports.As at 31st March, 2025, the unhedged exposure to the Company on financial assets (trade receivables) and liabilities (trade payables) other than in their functional currency is nil [31st March, 2024: ₹ 65,21,052 receivable (net)].The foreign currency exposure remains unhedged.

31 Details of Benami Property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

32 Wilful Defaulter

The Company has not been declared as wilful defaulter by any bank or financial institutions or other lenders.

33 Relation with the stuck off companies

Based on the information available with the Company, the Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

34 Registration of charges or satisfaction with the ROC

The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies ('ROC') beyond the statutory period.

35 Details in respect of utilisation of borrowed funds and share premium shall be provided in respect of:

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

36 Compliance with approved scheme of arrangements

The Company has not entered into any scheme of arrangements.

37 Undisclosed Income

The company do not have any undisclosed income as at the year end.

38 Details of Loans Given, Investments Made, Guarantees given and Securities provided during the year covered under Section 186 (4) of the Companies Act, 2013

i) There are no loans given by the Company.

ii) There are no investments made during the year.

iii) There are no borrowings made by the Company and hence there were no Guarantees given and Securities provided.

39 Segment Reporting

Zen3 Infosolutions Private Limited has identified its geographical area as its primary segment and business segments as secondary segment.

The geographical areas are 1) India 2) Outside India

Segregation of assets & liabilities into various geography segments has not been done as the assets are used interchangeably between segments and the Company is of the view that it is not practical to reasonably allocate assets & liabilities to individual segments as the same will not be meaningful.

A. Primary Segment Report

Particulars	India	Outside India	Total
SEGMENT REVENUE			
External Sales (excl GST)	179.47	128.50	307.96
Total Revenue	**179.47**	**128.50**	**307.96**
RESULT			
Segment Result	(16.31)	31.94	15.63
Unallocated corporate income			7.24
Unallocated corporate (expenses)			(30.08)
Operating Profit			**(7.21)**
Interest Expense			-
Interest Income			2.71
Income Taxes			9.66
PAT			**(14.16)**
Extra-ordinary loss			-
Net Profit			**(14.16)**
OTHER INFORMATION			
Segment Assets			328.41
Segment Liabilities			45.37
Net Assets			**283.05**

Major customers

1. Revenues from a single external customer amounting to 10% or more of the total revenue:

2. Group of entities under common control shall be considered as a single customer.

Particulars	Microsoft	Tech Mahindra			Total
		Tech Mahindra	Allyis India	Allyis Inc.	
External Sales	93.49	45.66	40.31	128.50	307.96

40 Ratio Analyis

Particulars	Numerator	Denominator	3/31/2025	3/31/2024	Variance	Reasons
(a) Current Ratio	Current Assets	Current Liabilities	**7.24**	7.21	0.35%	-
(b) Debt-Equity Ratio	Total Debt	Shareholder's funds	**-**	-	0.00%	-
(c) Debt Service Coverage Ratio	EBITDA	Principal + Interest	**-**	-	0.00%	-
(d) Return on Equity Ratio	Profit after Tax	Shareholder's funds	**(0.05)**	0.16	-132.23%	Decrease in the profits in the current year is due to lower revenue and higher expenses
(e) Inventory turnover Ratio	Cost of Goods Sold	Average Inventory	**-**	-	0.00%	-
(f) Trade Receivables Turnover Ratio	Credit Sales	Average Trade Receivables	**9.74**	6.88	41.70%	-
(g) Trade payables turnover Ratio	Credit Purchases	Average Trade Payables	**-**	-	0.00%	-
(h) Net capital turnover Ratio	Sales	Working Capital	**1.09**	2.69	-59.54%	Decrease is due to the operations of the company were ceased after September'24.
(i) Net profit Ratio	Net Profit after tax	Sales	**-4.60%**	6.04%	-176.12%	Decrease in the profits in the current year is due to lower revenue and higher expenses
(j) Return on Capital employed	EBIT	Shareholder's funds + Long term Liabilities	**-1.59%**	18.38%	-108.64%	Decrease in the profits in the current year is due to lower revenue and higher expenses
(k) Return on investment	EBIT	Shareholder's Funds	**-1.59%**	20.96%	-107.58%	Decrease in the profits in the current year is due to lower revenue and higher expenses

As per our Report of even date
For K Vijayaraghavan & Associates LLP
Chartered Accountants
Firm Registration No.: 004718S/S200040

For and on behalf of the Board of Directors of
Zen3 Infosolutions Private Limited

K. Ragunathan
Partner
Membership No.: 213723

Place: Hyderabad
Date: 24-04-2025

Heena Nikhil Shah
Director
DIN:10099961

Place: Hyderabad
Date: 24-04-2025

Bharath Vasudevan
Director
DIN: 05307157

Place: Hyderabad
Date: 24-04-2025

TECH MAHINDRA GmbH

Managing Directors
Mr Mukul Dhyani
Mr Suresh Babu V – Appointed on 17th May 2024
Mr Mandar Vasant Bhairavkar – Resigned on 17th May 2024

Registered office
Nextower, Thurn-und-Taxis-Platz 6,
60313 Frankfurt am Main, Germany

Auditor
kbht GmbH Wirtschaftsprüfungsgesellschaft,
Europadamm 4, 41460 Neuss,

Bankers
HSBC Continental Europe S.A., Germany
Hansaallee 3, 40549 Düsseldorf

AUDIT OPINION OF THE INDEPENDENT AUDITOR

To **TECH MAHINDRA GmbH, Frankfurt am Main**,

Audit Opinions

We have audited the financial statements of TECH MAHINDRA GmbH, Frankfurt am Main, which comprise the balance sheet as at 31 March 2025 and the income statement for the year then ended, and the notes to the financial statements, including a description of the accounting policies. We have also audited the management report of TECH MAHINDRA GmbH, Frankfurt am Main, for the business year from 1 April 2024 to 31 March 2025. In accordance with German legal requirements, we have not audited the content of the non-management report disclosures in note 1.3 Corporate governance statement pursuant to § 289f Abs. 4 HGB (disclosures on the quota for women on executive boards) and the Transparency in Wage Structures Act report to § 21 EntgTranspG of the management report.

In our opinion, based on the findings of our audit, the accompanying financial statements

- the attached annual financial statements comply in all material respects with the provisions of German commercial law applicable to corporations and give a true and fair view of the net assets and financial position of the Company as of 31 March 2025 and of its results of operations for the fiscal year from 1 April 2024 to 31 March 31 2025 in accordance with German principles of proper accounting; and

- the accompanying management report as a whole provides a suitable view of the Company's position. In all material respects this management report is consistent with the annual financial statements, complies with German statutory requirements and accurately presents the opportunities and risks of future development.

  In accordance with Section 322 (3) Sentence 1 of the German Commercial Code (HGB), we declare that our audit has not led to any reservations concerning the correctness of the annual financial statements and the management report.

Basis for the audit opinions

We conducted our audit of the annual financial statements and management report in accordance with Section 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibility under those provisions and standards is further described in the section "Auditor's Responsibility for the Audit of the Annual Finan¬cial Statements and Management Report" of our auditor's report. We are independent of the Company in accordance with German commercial law and professional standards and have fulfilled our other German ethical responsibilities in accordance with these requirements. We believe that the audit eviden-ce we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and the management report.

Other information

The legal representatives are responsible for the other information. The other information comprises the non-audited parts of the management report referred to in the "Audit opinions" section, but does not include the annual financial statements, the audited disclosures in the management report and our auditor's report thereon.

Our opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information referred to above and, in doing so, consider whether the other information

- is materially inconsistent with the annual financial statements, with the audited disclosures in the management report or our knowledge obtained in the 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 context.

Responsibility of the legal representatives for the annual financial statements and management report

Management is responsible for the preparation and fair presentation of these financial statements in accordance with German generally acccepted accounting principles 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. Furthermore, management is responsible 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 (i.e., accounting manipulations and misstatements of assets).

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern. They are also responsible for disclosing, as applicable, matters related to the entity's ability to continue as a going concern. Furthermore, they are responsible for preparing the financial statements on the basis of the going concern principle, unless factual or legal circumstances prevent this.

Furthermore, management is responsible for the preparation of the management report, which as a whole provides a suitable view of the Company's position, is consistent in all material respects with the annual financial statements, complies with German legal requirements, and suitably presents the opportunities and risks of future development. Furthermore, management is responsible for the arrangements and measures (systems) that it determines are necessary to enable the preparation of a management report in accordance with the applicable German legal requirements and to provide sufficient appropriate evidence for the statements made in the management report.

Auditor's responsibility for the audit of the annual financial statements and management report

Our objective is to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides a suitable view of the Company's position and is consistent, in all material respects, with the annual financial statements and the audit findings, complies with German legal requirements, and suitably presents the opportunities and risks of future development, and to issue an auditor's report that includes our audit opinion on the annual financial statements and the management report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW) will always detect a material misstatement. 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 and management report.

During the audit, we exercise professional judgment and maintain a critical attitude. Furthermore, we

- identify and assess the risks of material misstatement of the annual financial statements and management report, 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 audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit of the financial statements and the arrangements and actions relevant to the audit of the management report 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 systems.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of the going concern basis of accounting used by management 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 and management report or, if such disclosures are inadequate, to modify our opinion. We draw our conclusions on the basis of the audit evidence obtained up to the date of our audit opinion. However, future events or conditions may prevent the Company from continuing as a going concern.

- assess the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German generally accepted accounting principles.

- assess the consistency of the management report with the annual financial statements, its compliance with the law and the understanding of the Company's position given by it.

- perform audit procedures on the forward-looking disclosures made by management in the management report. Based on sufficient appropriate audit evidence, we in particular verify the significant assumptions underlying the forwardlooking statements made by management and evaluate the appropriateness of the information derived from these assumptions. We do not express an independent opinion on the forward-looking statements or on the underlying assumptions. There is a significant unavoidable risk that future events may differ materially from the forward-looking statements.

We discuss with those charged with governance, 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.

Neuss, 15 May 2025

kbht GmbH
Wirtschaftsprüfungsgesellschaft

Krohn
Wirtschaftsprüfer
(German Public Accountant)

Thelen
Wirtschaftsprüfer
(German Certified Public Accountant)

BALANCE SHEET AS AT 31 MARCH 2025

Assets

			31 March 2025		31 March 2024	
			EUR	**EUR**	EUR	EUR
A.	**Fixed assets**					
	I.	**Intangible assets**				
		Acquired software		**1043.97**		5,219.87
	II.	**Property, plant and equipment**				
	1.	Other equipment, operating and office equipment	**299,115.26**		681,656.66	
	2.	Assets in construction	**0.00**	**299,115.26**	1,078.58	682,735.24
	III.	**Financial assets**				
	Shares in affiliated companies			**14,492,589.89**		14,492,589.89
				14,792,749.12		15,180,545.00
B.	**Current assets**					
	I.	**Inventories**				
		Prepayments		**301,132.18**		275,341.29
	II.	**Receivables and other assets**				
	1.	Trade receivables	**11,624,453.93**		12,620,133.22	
	2.	Receivables from affiliated companies	**57,226,620.12**		47,613,522.27	
	3.	Other assets	**1,536,447.36**	**70,387,521.41**	1,474,251.46	61,707,906.95
	III. Cash and cash equivalents			**5,715,095.87**		433,788.83
				76,403,749.46		62,417,037.07
C.	**Prepaid expenses**			**2,627,590.02**		835,686.01
				93,824,088.60		78,433,268.08

			Equity and liabilities	
			31 March 2025	**31 March 2024**
			EUR	EUR
A.	**Equity**			
	I.	**Subscribed capital**	**969,900.00**	969,900.00
	II.	**Capital reserve**	**21,742,415.17**	21,742,415.17
	III.	**Profit carried forward**	**25,064,703.53**	20,552,056.80
	IV.	**Net income for the year**	**3,993,867.35**	4,512,646.73
			51,770,886.05	47,777,018.70
B.	**Provisions**			
	1.	Provisions for pensions and similar obligations after netting with plan assets	**98,311.99**	133,165.30
	2.	Tax provisions	**5,332,018.57**	4,237,267.62
	3.	Other provisions	**15,848,520.53**	7,934,947.64
			21,278,851.09	12,305,380.56
C.	**Liabilities**			
	1.	Trade payables	**2,383,235.87**	7,906,815.92
	2.	Liabilities to affiliated companies	**15,407,968.38**	9,065,842.13
	3.	Other liabilities	**2,983,147.21**	1,378,210.77
	– thereof taxes EUR 2,967,081.39 (prior year: EUR 1,355,031.12) –			
	– thereof social securities EUR 13,734.85 (prior year: EUR 19,565.07) –			
			20,774,351.46	18,350,868.82
			93,824,088.60	78,433,268.08

INCOME STATEMENT FOR THE FINANCIAL YEAR 1 APRIL 2024 TO 31 MARCH 2025

			2024/2025		2023/2024
		EUR	**EUR**	EUR	EUR
1.	Revenue		**90,726,772.90**		110,667,489.97
2.	Other operating income		**217,193.05**		784,901.70
3.	Cost of materials				
	Cost of purchased services		**32,547,962.34**		37,676,223.70
4.	Personnel expenses				
	a) Wages and salaries	**38,807,810.72**		48,677,754.68	
	b) Social security, pension and other benefits	**5,238,235.82**	**44,046,046.54**	6,734,678.55	55,412,433.23
5.	Amortisation of intangible assets and depreciation of property, plant and equipment		**405,311.13**		659,970.17
6.	Other operating expenses		**7,960,894.80**		10,764,160.96
7.	Other interest and similar income		**175,565.55**		88,777.76
8.	Interest and similar expenses		**34,579.34**		27,747.80
9.	Income taxes		**2,130,776.00**		2,487,468.00
10.	**Result after taxes**		**3,993,961.35**		4,513,165.57
11.	Other taxes		**94.00**		518.84
12.	**Net income for the year**		**3,993,867.35**		4,512,646.73

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 1 APRIL 2024 TO 31 MARCH 2025

General information about the annual financial statements

In the past fiscal year, TECH MAHINDRA GmbH has been relocated from Dusseldorf to Frankfurt am Main and registered at the Registry court in Frankfurt am Main, Registry court number, HRB 135123. The company is a large corporation within the meaning of Section 267 (3) HGB.

The annual financial statements were prepared in accordance with the provisions of the German Commercial code (HGB) in the current version and the supplementary provisions of the German limited liability company law (Gesetz betreffend Gesellschaften mit beschränkter Haftung (GmbHG)).

The financial statements comprise balance sheet, income statement and notes (including the fixed-asset movement schedule). The income statement was prepared in accordance with the nature of expense method (Section 275 (2) HGB).

Disclosures on accounting policies

Intangible assets are measured at cost and amortized on a straight-line basis over their economic useful life. Purchased software is amortized over their useful life of four years. Intangible asset, which are fully amortized, will be presented as disposal in the last year of amortization.

Tangible assets are valued at cost and depreciated over their estimated useful life on a straight-line basis. Operating and office equipment is depreciated over a useful life of three to ten years.

Low-value assets with costs of up to EUR 800.00 are immediately recognized as depreciation expense and directly presented as disposal.

Shares in affiliated companies are recognized at cost. If necessary, the applicable lower value has been recognized at the reporting date.

Receivables and other assets are recognized at nominal value. In order to cover all recognizable risks as at the balance sheet date, allowances for bad debts are set aside.

Cash-in-hand and bank balances are recognized at nominal value.

Prepaid expenses are incurred before the balance sheet date to the extent that these constitute expenditures for a certain time thereafter.

Deferred taxes will be determined for temporary differences between the carrying amounts of assets and liabilities under commercial law and their tax bases and for usable loss carryforwards. Deferred taxes are calculated on the basis of an average income tax rate of 34 %. Any net resulting tax burden would be recognized in the balance sheet as deferred tax liabilities. In the event of a tax relief (deferred tax asset), the option granted in Section 274 (1) Sentence 2 HGB is exercised, and a balance sheet entry is waived. In the current financial year, there was a total asset surplus not shown in the balance sheet. This is mainly due to valuation differences between the commercial balance sheet and the tax balance sheet with regard to pension provisions.

Provisions were recognized for all further uncertain liabilities. They reflect all identifiable risks. In accordance with section 253 (1) sentence 2 of the HGB, provisions are measured at the settlement amount dictated by prudent business judgement.

Provisions from pension obligations were calculated based on the projected unit credit method by an actuarial. The underlying assumptions are presented in following explanations to the balance sheets.

Liabilities are recognized at their settlement amount.

Income and expenses are recognized in the income statement on an accrual basis. Revenue is recognized at the time when services are rendered.

Assets and liabilities in foreign currencies are valued in the annual financial statements at the average rate for the date of initial recognition. On the reporting date, assets and liabilities denominated in foreign currencies with a remaining term of up to one year are converted at the exchange rate prevailing on the balance sheet date. Non-current receivables

and liabilities denominated in foreign currencies are valued in accordance with the lower of cost or market principle (section 256a sentence 2 HGB) and recognized at the exchange rate on the balance sheet date provided that the exchange rate on the transaction date was not lower (for assets) or higher (for liabilities). Profit and loss from converting foreign currency transactions into local currency are recognized separately in the income statement under “Other operating income” and “Other operating expenses”.

Changes in accounting and valuation principles

In the current fiscal year, the company changed its presentation of liabilities, where the goods and services were received, but the invoice is outstanding at the year end, from trade payables to provisions for outstanding invoices. In order to compare the provisions for outstanding invoices as of March 31, 2025 and as of March 31, 2024, the prior year provision for outstanding invoices had to be increased by kEUR 4,138 and trade payables had to be reduced by this amount.

Balance Sheet

Fixed Assets

With regard to the development of intangible assets, tangible assets and financial assets we refer to the fixed-asset movement schedule (as appendix to the notes).

Financial assets

The Company holds the share in the following investments:

	31 March 2025	**31 March 2024**
	EUR	**EUR**
TechM IT Services GmbH	**5**	5
TECH MAHINDRA Norway A.S	**14,476**	14,476
TECH MAHINDRA Luxembourg S.à r.l	**12**	12
Total	**14,493**	14,493

TechM IT Services GmbH, Wien/Austria:

	31 March 2025	**31 March 2024**
Shareholding relationship	**100 %**	100 %
Equity in kEUR	**163**	128
Result for the year in kEUR	**35**	19

TECH MAHINDRA Norway A.S, Fornebu/Norway:

	31 March 2025	**31 March 2024**
Shareholding relationship	**100 %**	100
Equity in kNOK	**208,618**	200,604
Result for the year in kNOK	**8,013**	5,457
FX-rate as of March 31	**7.6914 NOK/EUR**	8.7724 NOK/EUR

Tech Mahindra Luxembourg S.à r.l., Luxembourg:

	31 March 2025	**31 March 2024**
Shareholding relationship	**100 %**	100 %
Equity in kEUR	**156**	120
Result for the year in kEUR	**36**	35

Current Assets

Inventory

Inventory comprises only of prepayments to suppliers in the current financial year.

Trade receivables and other assets

Trade receivables and other assets comprise as follows:

	As of 31 March 2025	**Amounts due after more than 1 year**	**As of 31 March 2024**	Amounts due after more than 1 year
Trade receivables	**11,624,453.93 €**	**0.00 €**	12,620,133.22 €	0.00 €
Receivables from affiliated companies	**57,226,620.12 €**	**0.00 €**	47,613,522.27 €	0.00 €
Other Assets	**1,536,447.36 €**	**0.00 €**	1,474,251.46 €	0.00 €
Total	**70,387,521.41 €**	**0.00 €**	61,707,906.95 €	0.00 €

Receivables from affiliated companies comprise receivables from shareholders in the amount of kEUR 54,099 (prior year: kEUR 44,793).

Receivables from affiliated companies contain loan receivables in the amount of kEUR 3,100 (prior year: kEUR 2,800). The remaining receivables from affiliated companies result from trade receivables.

Other assets contain mainly deposits, tax receivables as well as salary and travel expense advance payments to employees.

Subscribed capital

The share capital amounts to EUR 969,900.00 and is recognized at the nominal amount. The management of the Company has been authorized by the shareholder resolution from December 22, 2022, to increase the share capital by September 30, 2027 by issuing new shares against cash contributions with a total nominal value of up to EUR 351,750.00. The new shares will participate in dividends from the beginning of the financial year in which they are issued. In addition, the management is authorized to determine the further details of the capital increase and to carry out the legal transactions and measures associated with the implementation. The management is authorized to amend the version of the Articles of Association accordingly after the authorized capital has been utilized or the period for using the authorized capital has expired. The remaining amount of authorized increase of the share capital is 85,350.00 € as of March 31, 2025.

Provision for pension obligations

The actuarial report to determine the provision for pension obligations considers future salary increases as well as increases in pension benefits. To calculate the pension obligation the mortality tables “Richttafeln 2018 G” by Klaus Heubeck were applied.

The following assumptions were applied to determine the pension obligation as of 31 March 2025:

	31 March 2025	**31 March 2024**
Discount rate	**1.95 %**	1.83 %
Expected wage and salary increases	**2.0 %**	2.0 %
Expected increase in pension benefits	**1.0 %**	1.0 %

The provision for pension obligations is calculated in accordance with § 253 (2) HGB (German Commercial Code) using the average market rate of interest for the past ten financial years and a duration of 15 years, which is published by the German Central Bank (Deutsche Bundesbank).

In the case of the provisions for post-employment benefit obligations, the difference between the amount recognized using the average market rate of interest for the past ten financial years and the amount recognized using the average market rate of interest for the past seven financial years amounts to EUR -834 (prior year EUR 439) in the current financial year. In the prior year, that amount was restricted from distribution to the shareholder in accordance with § 253 (6) sentence 2 HGB.

All pension obligations are covered by reinsurance policies. Pursuant to § 246 (2) sentence 2 HGB the reinsurance policies have been offset against the pension ob-ligations, as claims against a reinsurance policy that is not accessible to all other creditors and serves exclusively to meet pension obligations:

	31 March 2025	31 March 2024
	kEUR	kEUR
The fair value of the plan assets	**413**	403
Pension obligation	**512**	536
Net amount	**99**	133

Due to the netting of the pension obligation with the plan assets, expenses for additions to the pension provision in the amount of kEUR 0 were netted with income from the plan assets in the amount of kEUR 0 as part of the pension expenses. The fair-value of the plan assets determined at amortized cost using actuarial valuation methods.

Other Provisions

As in the prior year, other provisions largely contain provisions for outstanding invoices for utilized subcontractor services (kEUR 7,136; prior year kEUR 2,051), provision for outstanding charges from the shareholder (kEUR 5,378; prior year kEUR 2,448).

Obligations for employee commitments comprise obligations for outstanding vaca-tion days, bonus and severance payments amount to kEUR 3,124 (prior year kEUR 3,435).

Liabilities

Remaining maturities are as follows:

	31 March 2025	**Remaining Maturity less than 1 year**	**Remaining Maturity more than 1 year and less than 5 years**	**Remaining Maturity more than 5 years**
Trade payables	**2.383.235,87 €**	**2.383.235,87 €**	**0.00 €**	**0.00 €**
Payables to affiliated companies	**15,407,968.38 €**	**15,407,968.38 €**	**0.00 €**	**0.00 €**
Other liabilities	**2,983,147.21 €**	**2,983,147.21 €**	**0.00 €**	**0.00 €**
Thereof relating to social security and similar obligations	**13,734.85 €**	**13,734.85 €**	**0.00 €**	**0.00 €**
Thereof relating to taxes	**2,967,081.39 €**	**2,967,081.39 €**	**0.00 €**	**0.00 €**
Total	**20.774.351,46 €**	**20.774.351,46 €**	**0.00 €**	**0.00 €**

	31 March 2024	**Remaining Maturity less than 1 year**	**Remaining Maturity more than 1 year and less than 5 years**	**Remaining Maturity more than 5 years**
Trade payables	7,906,815.92 €	7,906,815.92 €	0.00 €	0.00 €
Payables to affiliated companies	9,065,842.13 €	9,065,842.13 €	0.00 €	0.00 €
Other liabilities	1,378,210.77 €	1,378,210.77 €	0.00 €	0.00 €
Thereof relating to social security and similar obligations	19,565.07 €	19,565.07 €	0.00 €	0.00 €
Thereof relating to taxes	1,355,031.12 €	1,355,031.12 €	0.00 €	0.00 €
Total	18,350,868.82 €	18,350,868.82 €	0.00 €	0.00 €

Liabilities to the shareholder amount to kEUR 15,408 (prior year: kEUR 9,003). The liabilities to affiliated companies result only from deliveries and services.

Other liabilities comprise mainly VAT payables as well as social security contributions and taxes.

In the current fiscal year, the Company changed its presentation of liabilities, where the goods and services were received, but the final invoices are missing at the year end, from trade payables to provisions for outstanding invoices. In order to compare the trade payables as of March 31, 2025 and as of March 31, 2024, the prior year trade payables had to be reduced by kEUR 4,138 and provision for outstanding invoices had to be increased by this amount.

Income statement disclosures

Revenue

As in the prior year, revenue mainly relates to income from subcontracting activities relating to the rendering of IT services for the communication area. They are all generated in Germany.

Tech Mahindra GmbH is acting as service agent (“Dienstleistungskommissionär”) as all material chances and risks related to the provided services are located at Tech Mahindra Limited.

Revenues are presented in the amount of actual costs plus a 7 % mark-up, charged to Tech Mahindra Limited. These amounts are presented as receivables from affiliated companies from Tech Mahindra Limited. Invoices charged by Tech Mahindra GmbH to customers locally are presented as trade receivables until they are paid. Corresponding to the trade receivables, liabilities to affiliated companies are recognized.

Other operating income

Other operating income mainly includes income from exchange rate differences amounting to kEUR 197 (previous year: kEUR 129), and income from settling private use of company cars.

In the previous year, other operating income included also income from the release of provisions in the amount of kEUR 570 as well as income from release of allowance for doubtful trade receivables from third parties in the amount of kEUR 68.

Personnel Expenses

Personnel expenses include income for pension amounting to EUR 16 thousand (previous year: expenses of EUR 26 thousand).

Other operating expenses

Other operating expenses include, in particular, legal and consulting costs (kEUR 2,006; prior year: kEUR 2,731), premises costs (kEUR 1,983; prior year: kEUR 2,733), travel and distribution costs (kEUR 1,678; prior year: kEUR 1,780), recruiting cost (kEUR 232; prior year: kEUR 125) as well as additions to the allowances for doubtful accounts (kEUR 10; prior year: kEUR 42).

Expenses from currency conversion amount to kEUR 171 (prior year: kEUR 127).

In the previous year, other operating expenses mainly included expenses relating to other periods from the merger of Beris consulting GmbH in the amount of EUR 874 thousand.

Other Interest and similar income

Other interest and similar income include in current and prior year only interest from affiliated companies.

Other Interest and similar expenses

Other interest and similar expenses include interest charged to the provisions for pensions and similar obligations (kEUR 2; prior year: kEUR 2).

Taxes on income

Income taxes comprise as follows:

	31 March 2025	**31 March 2024**
Current Income tax expenses	**-2,130,776.00 €**	-2,487,468.00 €
Tax payments / Tax refund prior years	**0.00 €**	0.00 €
Total expenses on Income taxes	**-2,130,776.00 €**	-2,487,468.00 €

Other disclosures

Other financial obligations

The other financial obligations mainly result from office rental contracts an amount up to kEUR 1,216 (prior year: kEUR 939) due in the next 12 months and kEUR 1,899 (prior year: kEUR 2,764) for following remaining duration of the agreements.

Employees

In the fiscal year 2024/2025 in average the following number of employees were employed:

Company areas	number of employees
technical consultant	392
sales and support employees	44
Total	**436**

Management and Remuneration of the members of the Management

Managing directors of the company are

- Mr. Mukul Dhyani, Frankfurt am Main, Chief operating Office,
- Mr. Mandar Vasant Bhairavkar, Milton Keynes/UK, Chief Financial Officer (till April 19,2024)
- Mr. Suresh Babu Veerasamy, Pulheim, Chief Financial Officer (since April 19,2024)

No remuneration of the members of the management has been disclosed, with regard to option of § 286 (4) HGB.

Auditor’s fee

In fiscal 2024/2025 the auditor’s fee to kbht GmbH Wirtschaftsprüfungsgesellschaft, Neuss, in the amount of kEUR 79 (prior year: kEUR 38) were recognized as an expense, which relates exclusively to auditing services.

Group financial statements

TECH MAHINDRA Limited, Pune/India is the sole shareholder of TECH MAHINDRA GmbH. The Company’s financial statements are included in the consolidated financial statements of TECH MAHINDRA Limited, Pune/India.

In order to be exempt from the obligation to prepare consolidated accounting under German law, theCompany makes use of the option, in accordance with Section 292 of the German Commercial Code (HGB), to publish the audited, exempting consoli-dated financial statements for the 2024/25 financial year with a report on the situation of the group of TECH MAHINDRA Limited, Pune/India including the consolidated auditor’s report.

TECH MAHINDRA Limited prepares the consolidated financial statements for the smallest and largest consolidated group in accordance with general accepted accounting standards in India, which are derived from the International Financial Reporting Standards (IFRS).

Significant variances between the consolidated financial statements of TECH MAHINDRA Limited, Pune/India, prepared in accordance with the International Financial Reporting Standards (IFRS), and German commercial law with regard to accounting, valuation and consolidation methods are essentially as follows:

There are generally different perspectives behind the accounting of TECH MAHINDRA GmbH and TECH MAHINDRA Limited. While accounting according to the German Commercial Code (HGB) focuses on the principle of prudence and creditor protection, the primary goal of IFRS accounting is to provide investors with decisionrelevant information. Therefore, the comparability of the annual financial statements - both across different financial years and from different companies - as well as the period-based determination of profit according to IFRS is given greater importance than according to German GAAP (HGB).

Goodwill

According to IFRS, there are extensive capitalization requirements for intangible assets that are acquired as part of a company acquisition. This also applies to values that do not meet the commercial law criterion of an asset. According to IFRS, goodwill from company acquisitions is not subject to scheduled annual depreciation but must be subjected to an impairment test at least once a year and, if necessary, depreciated unscheduled. According to the German Commercial Code (HGB), on the other hand, capitalization occurs with subsequent scheduled annual depreciation over the expected useful life.

Self-developed software

Self-developed software is capitalized according to IFRS and depreciated over the expected useful life. In the consolidated financial statements according to HGB, certain expenses may not be capitalized.

Leasing

Operating lease contracts are capitalized in financial statements in accordance with IFRS with the so-called “right of use assets” together with the corresponding liabilities from the future leasing installments. According to the German Commercial Code (HGB), such contracts are stated as other financial obliga-tions in the notes to the financial statements.

Provision for pension obligations

In accordance with HGB, pension provisions are discounted using the average market interest rate for the past ten years published by the Deutsche Bundes-bank, which is based on an assumed remaining duration of the pension obligation of 15 years. According to IFRS, an interest rate derived from capital market data as of the balance sheet date is used. In addition, pension provisions in accordance with the German Commercial Code (HGB) are shown netted against assets that meet the requirements as plan assets. In addition, under the HGB, the expense from the addition of pension provisions is shown in full in the income statement, whereas under IFRS, parts of the actuarial gains and losses are recorded directly in equity.

Further variances

Further variances between HGB and IFRS are in the accounting and valuation of property, plant and equipment, the recognition and valuation of other provisions and the timing of profit realization.

The published consolidated financial statements of TECH MAHINDRA Limited are available on the company’s Internet site at www.techmahindra.com as well as at the German Commercial register (Unternehmensregister) in English Language.

Minimum Taxation Act

TECH MAHINDRA GmbH, as part of TECH MAHINDRA Limited, Pune/India, falls within the scope of the Minimum Taxation Act. In the reporting year, the company’s effective tax rate exceeded the minimum tax rate of 15%. Therefore, no top-up tax expense arose under the Minimum Taxation Act.

Proposal or resolution on the appropriation of net profit

The management is proposing the following appropriation of net profit in agreement with the shareholders:

The profit of kEUR 3,994 will be carried forward and netted with the retained earnings.

Frankfurt am Main/Germany, 15 May 2025

Mukul Dhyani
Managing Director

Suresh Babu Veerasamy
Managing Director

DEVELOPMENT OF FIXED ASSETS IN THE FINANCIAL YEAR FROM 1 APRIL 2024 TO 31 MARCH 2025

	Gross book values					Accumulated depreciation				Net book values	
	1 April 2024	Additions	Reclass	Disposals	31 March 2025	1 April 2024	Additions	Disposals	31 March 2025	31 March 2025	31 March 2024
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
I. Intangible assets											
Aquired software	**1,402,366.35**	**0.00**	**0.00**	**15,312.00**	**1,387,054.35**	**1,397,146.48**	**4,175.90**	**15,312.00**	**1,386,010.38**	**1,043.97**	**5,219.87**
II. Property, plant and equipment											
1. Other equipment, operating and office equipment	4,728,631.36	84,211.20	1,078.58	956,936.29	3,856,984.85	4,046,974.70	401,135.23	890,240.34	3,557,869.59	299,115.26	681,656.66
2. Assets in construction	1,078.58	0.00	-1,078.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,078.58
	4,729,709.94	**84,211.20**	**0.00**	**956,936.29**	**3,856,984.85**	**4,046,974.70**	**401,135.23**	**890,240.34**	**3,557,869.59**	**299,115.26**	**682,735.24**
III. Financial assets											
Shares in affiliated companies	14,492,589.89	0.00	0.00	0.00	14,492,589.89	0.00	0.00	0.00	0.00	14,492,589.89	14,492,589.89
	20,624,666.18	**84,211.20**	**0.00**	**972,248.29**	**19,736,629.09**	**5,444,121.18**	**405,311.13**	**905,552.34**	**4,943,879.97**	**14,792,749.12**	**15,180,545.00**

MANAGEMENT REPORT FOR THE FINANCIAL YEAR FROM 1 APRIL 2024 TO 31 MARCH 2025

1. Corporate Profile

1.1 General business activities

TECH MAHINDRA GmbH (as follows: company or TECH MAHINDRA) is a wholly owned German subsidiary of Tech Mahindra Limited, Pune/India ("TM Ltd."). It was established in 2001. The company's business activities are focused on technology consulting and digital solutions to global enterprises across industries, enabling transformative scale at unparalleled speed. Tech Mahindra provides a full spectrum of services including consulting, information technology, enterprise applications, business process services, engineering services, network services, customer experience & design, AI & analytics, and cloud & infrastructure services.

Tech Mahindra GmbH generally performs its services on behalf of its parent company, Tech Mahindra Limited, within the scope of a service agreement. The parent company reaches agreements with the customer regarding those business activities and at times on need basis, Tech Mahindra GmbH also enters contracts with customers directly under the direction of the parent company. Tech Mahindra GmbH acts as a subcontractor to its parent company and are therefore not subject to material risks. Remuneration for its activities is based on the reimbursement of costs incurred plus a markup, as outlined in our service agreement with our parent compa-ny.

1.2 Financial performance measures

TECH MAHINDRA is part of the global Tech Mahindra Limited, Pune/India ("TM Ltd.") group and its reporting system. The financial performance indicators of the company are revenues as well as result for the year and are described in section 2 and 3 of this report. As there is no break-down of group budgets on company level, the company reviews its financial performance indicators mainly by comparison to prior fiscal years

1.3 Non-financial performance indicators

We note that the following non-financial performance indicators are important but are not currently used in the direct management of our company.

- **Occupational safety**

  The constant and consistent implementation of safety guidelines ensures that the risk of accidents is reduced as far as possible. Occupational safety is the highest principle of management and is more important than the principle of profit maximization.

- **Training Measures**

  The nature of our business means that we require highly qualified employees for work on high-tech and telecommunications projects. Training is carried out according to need and is primarily conducted by employees at the Tech Mahindra development centers in India. Training measures are monitored and evaluated by the HR department, an employee's superior and the employee him - or herself. There are various online platforms internally available to employees and they are free to choose based on their requirements and skill sets. Training is not only catered to technology but also on soft skills enhancement which can be effectively used on day-to-day business activities.

  Tech Mahindra is focused on empowering employees with AI tools to drive innovation, value and sustainable growth in an ever evolving and competitive market by harnessing the power of Copilot for Microsoft 365. The organization has extended the value of Copilot with plugins within and outside the Microsoft app ecosystem to leverage multiple data sources and drive creativity and increase productivity. The collaboration is focused on increasing efficiency, reducing effort, and enhancing quality and compliance across the board.

  Tech Mahindra has launched a dedicated Copilot practice focused on helping customers unlock the full potential of AI tools. The practice will include workforce training to support customers with their assessment and preparation of processes, which are critical for successfully integrating AI across every area and every

function in an organization. In addition, Tech Mahindra will offer comprehensive solutions to help customers assess, prepare, pilot, and adopt business solutions that utilize Copilot for Microsoft 365. The organization is committed to utilizing insights gained from the Copilot practice to benefit customers and employees alike. Copilot for Microsoft 365 provides executives, and other professionals with an adaptable, scalable, and personalized user experience based on evolving business needs.

Collaboration is key to lead innovation and develop next generation solutions & services through access to cutting-edge research, talent pool & emerging technologies. Research collaborations, internships and skill development programmes helps nurture talent, entrepreneurship and growth of technology ecosystem.

- Corporate governance statement in accordance with section 289f para 4 HGB (German Commercial code) (Quota of female employees)

  With shareholder resolution dated 11 July 2023 the company has agreed currently a proportion of approx. 11% female employees in the two top management level, which corresponds to the current number and target size of the Company. It is further the Company's objective to increase the quota if suitable candidates are available.

  The proportion of women in the management board is 0%. As no changes to the management board are expected in the next five years, the target for the proportion of women in the management board is 0%.

- **Remuneration report in accordance with Section 21 EntgTranspG)**

  a) Average Headcount

Financial year	**2024/2025**	**2023/2024**
Male	**354**	486
Female	**82**	108
Fulltime employees	**436**	594
Parttime employees	**0**	0
	436	594

  b) Measures to promote equality between men and women

  The Code of Ethical Business Conduct outlines Company's employment philosophy of providing equal opportunities across the associate life cycle to everyone without any bias to race, religion, caste, color, gender, marital status etc,. Hiring in the Company is purely based on qualifications, skills, prior experience, expertise, abilities, local and constitutional legal mandates (as applicable) and the Company is determined to provide work environment free of any form of unlawful discrimination. Strict policy prohibiting unethical behavior including but not limited to workplace harassment or sexual harassment has been defined. Well established mechanisms have been built to listen to and support our people, addressed in depth by the Tech Mahindra Whistle Blower Policy and our Code of Ethical Business Conduct, making sure to provide formalized channels of communication that provide anonymity and protect their identity if they wish to do so. Tech Mahindra takes several initiatives to promote Diversity, Equity and Inclusion (DEI) across its companies, supported by the Europe Diversity Council with representation from Germany.

  c) Measures to achieve equal pay for men and women

  We are an equal opportunity employer. Across Tech Mahindra, we recruit both men and women on an equal salary ratio. Our remuneration is linked to the performance of the individual and company business. Our compensation and career enhancement philosophies and processes do not include gender as an element for decision making. We only look at the associate qualification, skill and proficiency while selecting any candidate recruitments and their classification in the organization are made exclusively based on suitability and skills/skill set.

2 Report on Economic Conditions and Business

2.1 Development of the overall economy and the industry

The global economy remained resilient in 2024, expanding at a solid annualized pace of 3.2% through the second half of the year. However, recent activity indicators point to a softening of global growth prospects. Business and consumer sentiment have weakened in some countries. Global GDP growth is expected to moderate from 3.2% in 2024 to 3.1% in 2025 and 3.0% in 2026, with higher trade barriers in several G20 economies and increased policy uncertainty weighing on investment and household spending. Euro area real GDP growth is projected to be 1.0% in 2025 and 1.2% in 2026, as heightened uncertainty keeps growth subdued. Faster diffusion of artificial intelligence technologies could also have significant productivity benefits. Governments can help by ensuring the availability of high-speed digital infrastructure, maintaining open and competitive markets and providing opportunities for workers to enhance their skills.

Economic activity in Germany is expected to decline by 0.1% in 2024. High uncertainty has been weighing on consumption and investment, and the trade outlook has worsened as global demand for industrial goods weakened. Going forward, domestic demand is set to pick up, driven by increases in real wages. This is expected to support a recovery in GDP growth to 0.7% in 2025 and 1.3% in 2026.

The German economy continues facing headwinds throughout 2024. In the first half of the year, it contracted by 0.2% compared to the first half of the previous year. Weak domestic and foreign demand for manufacturing goods, combined with high uncertainty, impacted investment in equipment. In addition, the construction sector was dragged down by labour shortages and weak domestic demand. Amidst low consumer sentiment, the saving rate increased. Private consumption thus did not support economic growth, despite an increase in real disposable income.

In response to the increase in tax incentives for investment in 2025 announced in July 2024, investment in equipment is expected to rebound. Overall, domestic demand is forecast to become again the main driver of economic growth in 2025 and 2026. As energy costs are expected to remain significantly above pre-pandemic levels, they are set to continue weighing on the cost-competitiveness of energy-intensive industries. The contribution to growth from net exports is thus projected to be slightly negative in 2025 and broadly neutral in 2026, despite improvement in demand from Germany's main trading partners. The current account surplus is expected to remain elevated, but still below pre-pandemic levels. Overall, growth is forecast to increase to 0.7% in 2025 and to 1.3% in 2026. In 2026, the government deficit is forecast to decrease to 1.8% of GDP. Overall, the fiscal stance is set to turn broadly neutral in 2025 and 2026, from being contractionary in 2024.

According to Bundesbank publications in December 2024, Calendar-adjusted real GDP falls again slightly in 2024, by 0.2 %, then grows by 0.2 % in 2025, 0.8 % in 2026 and 0.9 % in 2027. The growth outlook is thus revised sharply downwards relative to the June 2024 Forecast for Germany over the entire forecast horizon. This is primarily due to the more persistent weakness in the industrial sector, which is, in addition, largely considered to be structural now, and the consequently significantly gloomier outlook for exports and business investment.

The government deficit ratio decreases slightly, from 2.6% in 2023 to 2.4% in 2027. Although the expiry of measures put in place to address the energy crisis is providing some relief, other expenditure, such as social security, interest and defense spending, is climbing strongly. The debt ratio falls to 61.7% in 2027 (2023: 62.9%).

Germany's IT market is expected to hit $129 billion by 2025, creating tons of opportunities in emerging fields like AI, cloud computing, and data infrastructure.

The sector in which our company operates benefits considerably from increasingly strong digitalization and the continuously high need for investment in IT. Entities know that in order to create sustainable competitiveness, they need to develop digitally within the company or face irrelevance. These challenges also provide opportunities for the global technology industry.

2.2 Report on business

2.2.1 Development of revenue

As our revenues are mainly based on reimbursement of costs incurred plus a mark-up ("cost-plus method") as part of a service agreement, the general economic and industry development have only a limited effect on the business development of our company.

Revenue from the service agreement dropped substantially (-18.0 %) from kEUR 110,667 to kEUR 90,727 due to a lower reimbursement of cost incurred (plus the mark-up). The reduction is largely due to reduced operating costs during the year in comparison to last year there by resulting in lower markup revenue from our parent company.

As we had planned a slight increase in sales compared to the previous year, the decline in sales is below our expectations.

2.2.2 Investments

In order to expand business activities, the Company acquired IT – equipment in the fiscal year 2024/2025 in the amount of kEUR 62 as well as office equipment in the amount of kEUR 22.

2.2.3 Employees

As of 31 March 2025, the Company counts 420 employees (31 March 2024: 467 employees).

The nature of our business demands the employment of highly skilled personnel who participate in high-tech and telecommunication projects. That makes it necessary to employ staff from the TECH MAHINDRA development centers in India.

Our employees are working at client companies throughout Germany, including Frankfurt, Munich, Duesseldorf, Mannheim, Hamburg and Leipzig. Most of our employees have a university degree and several of them have even postgraduate qualifications.

3 Business development

3.1 Results of operations

Under the service agreement concluded with the parent company, TECH MAHINDRA is reimbursed for the cost incurred and receives a mark-up, so that TECH MAHINDRA always disposes on constant cash inflows and realizes revenue that compensate the costs. In the period for the financial year 2024/2025, the Company reported a net profit of kEUR 3,994, compared to a net profit of kEUR 4,513 in the prior year. This profit for the year corresponds to 4.4 % of the total revenue (prior year: 4.1 %), which is a slight improvement in comparison to the prior year. The decrease in profits relates mainly to decline of revenues by kEUR 19,940 in comparison to the prior year.

The EBITDA / Sales ratio rose slightly to 7.0% in comparison to 6.9% in the fiscal 2023/2024, while the EBITDA in amount of kEUR 6,389 (prior year: kEUR 7,599) is still significantly below our plan for the year. The slight increase of the EBITDA / Sales ratio is mainly due to the decrease of sales as well as a further decrease of expenses which are not covered by the reimbursement agreement with TECH MAHINDRA Ltd, India. In this case we define EBITDA as statutory result for the year adjusted by Income taxes, the financial result including interest and writeoff of investments as well as the amortization and depreciation of fixed assets.

The cost of materials, which related exclusively to purchased services, totaled kEUR 32,548 (prior year: kEUR 37,676). The materials usage ratio (ratio of cost of materials to revenue) increased slightly from 34.0 % to 35.9 % due to slightly increased purchased services.

The drop in personnel expense from kEUR 55,412 to kEUR 44,046 is mainly due to decreased headcounts as two locations of the Company were closed in the prior year as well as prior year personnel expenses included severance payments. The personnel expense ratio (ratio of personnel expense to revenue) amounts to 48.5 % (prior year: 50.1 %), the raitio in the prior year is due to increased severance expenses in the prior fiscal year.

Other operating expenses decreased from kEUR 10.764 to kEUR 7,960, mainly due to decrease of legal and consulting fees by kEUR 725, a decline in premisies cost due to closure of two location (kEUR -749) and a loss, recorded in the prior year, of kEUR 874 in connection with the merger of the former subsidiary Beris consulting GmbH.

3.2 Net assets

The equity ratio slightly decreased from 60.9 % to 55.2 %, while the equity increased to kEUR 51,771 due to the profit of the year in amount of kEUR 3,994.

The Company's assets are dominated by trade receivables as well as receivables from affiliated companies.

Trade receivables declined from kEUR 12,620 to kEUR 11,624 due to decrease in revenues.

The increase of receivables from affiliated companies from kEUR 47,614 to kEUR 57,227 relates mainly to timing issues as invoices were issued close to the balance sheet date as well as cash management decisions by the parent company, see also liabilities to affiliated companies.

The variance in cash and cash equivalents as part of the cash funds is presented together with the information on the financial position below.

The higher other accruals as compared to last year were primarily due to increase provisions for outstanding invoices from affiliated companies and due to higher volume discount provisions to a customer. Contrary provisions for severance payment were reduced by severance payments made. The increase of provisions is further also related to a change of presenting liabilities, where the goods and services were received, but the invoice is outstanding at the year end, from trade payables to provisions for outstanding invoices (see disclosure note to other provisions).

Liabilities to affiliated companies rose to kEUR 15,407 as compared to kEUR 9,066 of the previous year due to cash management decisions by the parent company, which postponed settlements of receivables and payables in next fiscal year.

3.3 Financial situation

As of 31 March 2025, the Company's cash funds (cash-in-hand, bank balances) amounted to kEUR 5,715 (31 March 2024: kEUR 433).

The operative cash flow increased in current year to EUR 5.2 million (prior year EUR 1.5 million) due to increased provision as well as increased payables to affiliated enterprises.

In the current fiscal year, the investing cash flow amounts to kEUR 12 (prior year: kEUR 82) due to investments in IT and office equipment in the amount of kEUR 84 and contrary proceeds from the disposal of office equipment of the two closed locations in the amount of kEUR 72.

The service agreement ensures continuous cash inflow for the financing of current business activities.

3.4 Overall Assessment of the Economic Situation

In the opinion of the management of the Company, the business development is generally satisfying and with the appointment of new leaders at the top the business outlook looks very positive. Nevertheless, the management is not satisfied with the development of sales, but due to several cost measurements the profit for the year could be kept at an acceptable level considering the current situation.

4 Outlook, risks and opportunities for future development

4.1 Report on risks and opportunities

4.1.1 Risk management

The Company has a financial reporting system, which is integrated into the TECH MAHINDRA group reporting structures. This supports the Company in the ongoing monitoring and management of business development by means of target, actual and budget comparisons on group level.

As a result of the service agreement described above, the Company has constant cash inflows and revenue above the level of its costs. Owing to the agreements that are in place, the Company is not subject to significant business risk.

4.1.2 Risks and opportunities for future development

During financial year 2024/2025, the world economic recovery continued to be rocky, and the global outlook remained mixed amid weakness in Europe's GDP growth. At Tech Mahindra, proactive, intelligent, and responsible risk management serves as a fundamental aspect of the Company's business strategy and corporate governance.

Cultivating a dynamic risk culture capable of responding to emerging threats with agility is essential for effectively managing global operations across a diverse client base.

During FY2024/2025, the Company worked towards improving its controls against cybersecurity and privacy risks, which continued to be high owing to the ever increasing tenacity and sophistication of cyber attackers. Given the criticality of data security, Tech Mahindra maintains a proactive cybersecurity stance.

Enterprise Risk Management (ERM) provides a structured framework to identify, assess and manage risks. Integration of ERM into the Company's systems promotes a risk-aware culture, enhancing decision-making at all levels and ensuring alignment with the strategic objectives. This framework enables the timely development of mitigation strategies in response to various internal, external, and emerging risks. The underlying opportunities identified during risk assessments, are carefully evaluated and acted upon by the Company.

As risk, we define future developments or events, which have impact on the budgeted results of the Company and the group respectively. We classify the risks in economic risks, employee related risks and technology risks. The company is facing the following risks, which are present from risks with highest occurrence and the highest possible impact to the lowest occurrence and lowest financial impact.

- **Risk of economic slowdown or recession in key global economies:**

  Economic challenges such as subdued GDP forecasts, persistent inflationary pressures, elevated interest rates, and financial system instability have generated uncertainty, potentially leading consumers to exercise caution, thereby affecting business confidence. As a mitigating factor, the Company is closely monitoring the potential impact on revenues and is implementing appropriate strategies to align variable costs with the revenue outlook. It is also assessing potential opportunities that may emerge from this economic situation.

- **Economic risks:**

  Due to the war of aggression against Ukraine the global economic trend is slowing down, and companies could consider cutting their budgets with regard to investment in the IT infrastructure or to postpone IT - projects. Leading economic research institutes and the Bundesbank forecast a minimal GDP growth of 0.1% to 0.2% in 2025, with some predicting a third consecutive year of recession. In 2025, the German economy is projected to experience minimal growth, potentially stagnating or even contracting, with a significant risk of a third consecutive year of economic decline.

  Factors contributing to this outlook include structural changes, geopolitical uncertainty, and a weak investment environment.

- **Price Pressure / Margin Risk:**

  It is important to consider customer perspectives and strive to maintain value, trust, and satisfaction to retain their customer base and remain competitive in the market. As a mitigation factor, implementing cost optimisation strategies such as cloud deployment, increased automation, offshoring, and adjusting resource profiles may be necessary, in collaboration with the customer.

- **Human Capital Risks:**

  With the evolving IT industry, right skillset and talent is required to respond quickly to the ongoing changes. The inability to cost effective hiring and retaining increased number of professionals with the required skillset is to be consider as a risk. High attrition rates can delay resource deployment for scaling up new business ventures and make it challenging to fill roles for existing projects promptly. A command centre was currently in place to monitor productivity issues and security concerns arising from remote work. With effect from April 1, 2024 onwards, the Company has introduced partial work from office.

- **Technology risks:**

  The industry has been seeing a shift to disruptive technologies which are continually evolving. This shift coupled with changes in business models and consumer spending patterns could be a threat to the growth in traditional IT spends and technology obsolescence. Failing to embrace technological disruptions and investing in emerging competencies can lead to a competitive disadvantage.

  The following opportunities are currently followed by the company:

- **Digitalization Trend**

  The COVID-19 pandemic showed a significant need to digitalize processes in companies and further improve the IT infrastructure. The TECH MAHINDRA group provides the necessary services to these companies, which comprises significant business opportunities for the company. We offer diverse solutions including Data and Analytics, AI and GenAI, Cybersecurity and Risk Management and emerging technologies like Metaverse and Blockchain, where our leadership position is recognised by multiple analysts.

  Our offerings are aligned with the rebalanced spending of enterprises, focussed on improving their productivity through a cognitive operating model. Leveraging our robust delivery framework, we help enterprises reimagine and scale new business processes, remove redundancies to cut costs and make information technology leaner.

- **Employees**

  The company sees a big opportunity, that its recruits also employee in India, which offers more skilled and trained IT – professionals then the limited market in Germany and Europe. The Company also tries to onboard the right expertise required to drive organisation's core activities & future success. Such engagement helps foster a nurturing work environment conducive to their growth, well-being and job satisfaction.

- **Cost advantage**

  Due to the possibility to outsource part or complete orders to its shareholder in India, which has a different and lower cost structure, the Company has a cost advantage in regard to its competitors. We have devised a comprehensive approach to transform operations and expand margins. Operational parameters are being optimised through measures like pyramid juniorisation, enhancing offshore mix, replacing subcontractors with employees, improving employee utilisation and rationalising overheads. We are driving productivity with lean, automated operations and leveraging AI-GenAI.

4.1.3 Overall assessment of the risk and opportunity situation

The overall view of the company's risk and opportunity situation remains essentially unchanged. Currently, there are no risks recognizable, that either alone or in combination with other risks could endanger the continued going concern of the company.

4.2 Outlook

4.2.1 General economic outlook

The GCEE expects real gross domestic product (GDP) in Germany to rise by 0.3 % in 2024 and by 1.0% in 2025. Consumer price inflation is expected to be 2.4 % and 1.8 % respectively.

The IFO Institute also sees a rather subdued economic outlook for 2025, partly due to the potential impact of US import tariffs on the global economy and Germany as an export nation, but also because it is not yet possible to assess the economic policy impact of the new German government on the economy.

The outlook is subject to significant downside risks given the uncertainty about private spending behavior and the global economy as well as the uncertain effect of monetary policy. Fiscal 2024 was a tough year for the industry impeded by geo-political externalities and a tough macro-economic environment, leading to organisations reprioritising their IT spending, which impacted our growth.

4.2.2 Companies outlook

Taking into account the current order backlog and business situation, we expect slightly revenue increase in the financial year 2025/2026 and the following years, despite the current declining economic impacts. The Company's business will primarily consist of follow-up orders and acquired contracts. We also plan to generate growth by extending our range of services and entering new markets. Profit for the year will slightly increase in comparison to the profit in the current year.

With our experience, expertise and entrepreneurial DNA, we have all the right building blocks in place to deliver the imperative of Scale at Speed to enterprises. We have further embarked on a three-year transformation with our Vision FY27 to build on this competitive position while also powering our next phase of growth.

In a fast-paced world, the speed and effectiveness of service delivery are crucial to maintaining customer satisfaction and loyalty and building a stronger brand. Remote assistance emerges as a game-changer in this context. TechM's augmented realitydriven solution helps notch up the speed and quality of service assistance, revolutionising the way the industry operates.

We are a trusted transformation partner for communication companies with network, engineering, and experience (customer and employee) capabilities. Our endtoend digital capabilities help simplify business complexity, drive transformation, and expedite monetisation, expediting the future of communications.

We are a global leader in engineering services with over three decades of experience and competencies across 10+ industry verticals. We offer full stack engineering services right from design to build, chip to cloud and software platforms engineering including addressing challenges of accelerated release cycles and heightened customer expectations. This is enabled by our 50+ technology platforms and solutions, and over 50 dedicated Engineering centres.

The company has good prospects in the financial year 2025/2026 as we plan to develop additional businesses activities in new areas and segments. We expect the profit/revenue ratio to remain at the same level due to the nature of our business model (costplus method). However, increased volumes of business and higher revenue mean that we expect profits to increase in the coming years.

We continue to expect demand for outsourcing and offshoring as well as managed service to increase. The introduction of new technologies is often accompanied by a lack of technical skills, which TECH MAHINDRA can provide.

Currently, we do not foresee any impact from the conflict in the Ukraine on the Company's business, as the company has no business activities in the Ukraine, Belarus or Russia. Also, we do not expect any impact on the company's business, due to rising energy or similar costs, contrary this might initiate further projects for digitalization in order to cut costs, which the company can benefit from.

The predicted slightly increase in revenue and profit is based on an increased volume of business, which will result in higher reimbursable operating costs.

The Company has considered the possible effects that may result from the Ukraine conflict and does as of the date of this report not foresee any impact on its current business plan.

Frankfurt am Main/Germany, 15 May 2025

Mukul Dhyani
Managing Director

Suresh Babu Veerasamy
Managing Director

TECHM IT-SERVICES GmbH

Management Certified Financial Statements for the year ended 31st March, 2025

Directors
Mr. Sujan Kotian

Registered Office
Albertgasse 35
1080 Vienna Austria

Bankers
Erste Bank der Oesterreichischen Sparkassen AG

Auditors
B S R & Co. LLP

BALANCE SHEETS AS OF MARCH 31, 2025

Assets	31-Mar-2025	31-Mar-2024
	€	€
Shareholder's equity and liabilities	**31-Mar-2025**	**31-Mar-2024**
	€	€
Current assets		
Accounts receivable and other assets		
Accounts receivable - Trade	**7,128.00**	0.00
Accounts receivable - Affiliated companies	**65,673.58**	71,147.10
thereof other	**65,673.58**	71,147.10
Other receivables and assets	**18,072.59**	74,033.61
	90,874.17	145,180.71
Bank balances	**198,240.28**	83,687.43
	289,114.45	228,868.14
Total assets	**289,114.45**	228,868.14
Shareholder's equity		
Nominal capital called	**5,000.00**	5,000.00
Nominal capital	**10,000.00**	35,000.00
less unpaid nominal capital not callable in accordance with Sec 10b para 4 GmbHG	**0.00**	-25,000.00
less uncalled unpaid nominal capital	**-5,000.00**	-5,000.00
Capital paid in	**5,000.00**	5,000.00
Balance sheet profit	**193,026.73**	158,039.09
thereof profit carried forward from the previous years	**158,039.09**	123,076.09
	198,026.73	163,039.09
Provisions		
Provisions for taxation	**0.00**	42,388.00
Other provisions	**57,419.91**	1,054.17
	57,419.91	43,442.17
Liabilities		
Accounts payable - Trade	**260.15**	-102.24
thereof with a remaining maturity of up to one year	**260.15**	-102.24
Accounts payable - Affiliated companies	**10,018.49**	2,475.00
thereof other	**10,018.49**	2,475.00
thereof with a remaining maturity of up to one year	**10,018.49**	2,475.00
Other liabilities	**23,389.17**	20,014.12
thereof taxes	**5,943.17**	8,653.60
thereof with a remaining maturity of up to one year	**23,389.17**	20,014.12
	33,667.81	22,386.88
thereof with a remaining maturity of up to one year	**33,667.81**	22,386.88
Total shareholder's equity and liabilities	**289,114.45**	228,868.14

PROFIT AND LOSS ACCOUNT

	31-Mar-2025	31-Mar-2024
	€	€
Net turnover	**795,495.90**	712,372.39
Personnel expenses		
Salaries	**466,856.45**	529,286.29
Social security costs	**74,476.22**	94,992.82
	541,332.67	624,279.11
Other operating expenses	**208,724.59**	41,476.28
Subtotal no. 1 to 3 (Operating profit)	**45,438.64**	46,617.00
Earnings before taxes	**45,438.64**	46,617.00
Taxes on income	**10,451.00**	11,654.00
Earnings after taxes	**34,987.64**	34,963.00
Net profit for the year	**34,987.64**	34,963.00
Profit carried forward from the previous years	**158,039.09**	123,076.09
Balance sheet profit	**193,026.73**	158,039.09
Assets		
Current assets		
Accounts receivable and other assets		
Accounts receivable - Trade		
10120002 Accounts Receivable	**7,128.00**	0.00
Accounts receivable - Affiliated companies		
10120003 Accounts Receiv. - InterCo	**65,673.58**	71,147.10
thereof other		
10120003 Accounts Receiv. - InterCo	**65,673.58**	71,147.10
Other receivables and assets		
2008244 VAT clearing account	**961.95**	0.00
10160015 Security Deposits	**716.40**	716.40
10180075 Advance UK Tax 2015-16	**0.00**	37,852.04
10220013 Input Tax	**0.00**	22,740.93
10300260 Salary Advance Onsit	**4,000.00**	0.00
20020004 Lease Payable	**0.00**	1,393.00
20072256 Provision for Tax FY	**1,063.00**	0.00
20082271 Employee Insurance Payable	**11,331.24**	11,331.24
	18,072.59	74,033.61
	90,874.17	145,180.71
Bank balances		
10242050 MAIN-Erste Bank Der Oester(Austria)	**198,240.28**	83,687.43
	289,114.45	228,868.14
Total assets	**289,114.45**	228,868.14

SHAREHOLDER'S EQUITY AND LIABILITIES

	31-Mar-2025	31-Mar-2024
	€	€
Shareholder's equity		
Nominal capital called		
340000 Stammeinlage	**10,000.00**	35,000.00
340001 Limited Company Act	**0.00**	-25,000.00
30000000 Share Capital-Issued & Paid Up	**-5,000.00**	-5,000.00
Capital paid in	**5,000.00**	5,000.00
Capital paid in	**5,000.00**	5,000.00
Balance sheet profit		
399999 Profit for the year	**34,987.64**	34,963.00
30020010 Profit And Loss Account (Accum)	**158,039.09**	123,076.09
	193,026.73	158,039.09
	198,026.73	163,039.09
Provisions		
Provisions for taxation		
20072182 Provision for Tax FY 2016-17	**0.00**	7,909.00
20072186 Provision for Tax FY 2017-18	**0.00**	6,116.00
20072187 Provision for Tax FY 2018-19	**0.00**	3,060.00
20072188 Provision for Tax FY 2019-20	**0.00**	3,532.00
20072189 Provision for Tax FY 2020-21	**0.00**	2,596.00
20072227 Provision for Tax FY 2021-22	**0.00**	685.00
20072228 Provision for Tax FY 2022-23	**0.00**	6,836.00
20072244 Provisions for Tax FY 2023-24	**0.00**	11,654.00
	0.00	42,388.00
Other provisions		
20030108 Provision for Salary	**29,166.39**	0.00
20030155 Prov for PB & KRA In	**26,252.93**	0.00
20052171 Provision for Expenses 23-24	**0.00**	1,054.17
20052174 Provision for Expens	**2,000.59**	0.00
	57,419.91	1,054.17
	57,419.91	43,442.17
Liabilities		
Accounts payable - Trade		
20052101 Accounts Payable Exp	**260.15**	-102.24
thereof with a remaining maturity of up to one year		
20052101 Accounts Payable Exp	**260.15**	-102.24
Accounts payable - Affiliated companies		
20052102 Sundry Creditors - InterCo	**10,018.49**	2,475.00
thereof other		
20052102 Sundry Creditors - InterCo	**10,018.49**	2,475.00
thereof with a remaining maturity of up to one year		
20052102 Sundry Creditors - InterCo	**10,018.49**	2,475.00
Other liabilities		
2008300 Liability corporate income tax	**5,943.17**	0.00

	31-Mar-2025	31-Mar-2024
	€	€
20082144 Output Tax	**0.00**	8,653.60
80000009 Service Receipt/ Invoice Reciept Clearing Account	**17,446.00**	11,360.52
	23,389.17	20,014.12
thereof taxes		
2008300 Liability corporate income tax	**5,943.17**	0.00
20082144 Output Tax	**0.00**	8,653.60
	5,943.17	8,653.60
thereof with a remaining maturity of up to one year		
2008300 Liability corporate income tax	**5,943.17**	0.00
20082144 Output Tax	**0.00**	8,653.60
80000009 Service Receipt/ Invoice Reciept Clearing Account	**17,446.00**	11,360.52
	23,389.17	20,014.12
	33,667.81	22,386.88
thereof with a remaining maturity of up to one year		
2008300 Liability corporate income tax	**5,943.17**	0.00
20052101 Accounts Payable Exp	**260.15**	-102.24
20052102 Sundry Creditors - InterCo	**10,018.49**	2,475.00
20082144 Output Tax	**0.00**	8,653.60
80000009 Service Receipt/ Invoice Reciept Clearing Account	**17,446.00**	11,360.52
	33,667.81	22,386.88
Total shareholder's equity and liabilities	**289,114.45**	228,868.14

PROFIT AND LOSS ACCOUNT

	31-Mar-2025	31-Mar-2024
	€	€
Net turnover		
40000010 Hardware Software -O	**12,730.00**	0.00
40000015 Revenue Indirect - InterCo	**694,427.38**	712,579.86
40000017 Revenue - Offsite	**11,880.00**	0.00
40000023 Subsidiary Revenue	**77,220.00**	0.00
40020003 Other Interest	**8.81**	0.00
40020013 AR Realised Exchange Gain/Loss	**-770.24**	-141.98
40020017 AP Realized Currency Gain	**-0.05**	-65.49
	795,495.90	712,372.39
Personnel expenses		
Salaries		
60000000 Basic Salary - Onsite	**384,500.89**	448,836.85
60000005 Leave Encashment Onsite	**6,885.07**	8,988.92
60000014 Variable Perform Allow. Onsite	**0.00**	1,140.00
60000047 Comi on sales(offshore/Onsite)	**1,316.01**	959.69
60000063 Other Incentive & Bonus Onsite	**1,347.09**	32,532.60
60000074 Onsite Payroll Other Exps	**69,989.97**	34,417.13
60000090 Special Allowance -Onsite	**0.00**	-239.81
60090125 Insurance - Group Mediclaim	**2,817.42**	2,650.91
	466,856.45	529,286.29
Social security costs		
60000105 Social Insurance Payrol Onsite	**71,875.92**	94,217.61
60000130 Staff Welfare Exps.	**106.00**	0.00
60090166 Entertainment Expenses	**2,494.30**	775.21
	74,476.22	94,992.82
	541,332.67	624,279.11
Other operating expenses		
travel, mileage		
60000133 JOSH Expenses	**0.00**	3,885.00
60090044 Travel Abroad - Airfare	**14,842.51**	9,789.28
60090045 Business Visa Travel	**3,785.95**	3,659.25
60090047 Travel Abroad - Others	**956.00**	498.10
60090048 Travel Abroad - Visa	**3,470.97**	0.00
60090058 Travel Inland - Rail	**8.00**	0.00
60090062 Travel Inland - Other Exps.	**103.80**	516.60
60090064 Conveyance Exps.	**1,412.58**	63.00
60090065 Relocation Exps.	**0.00**	666.80
60090087 Other Hire Chgs	**0.00**	250.00
60090128 Insurance - Travel & Mediclaim	**8.94**	92.14
	24,588.75	19,420.17
Rent costs		
60090007 Rent-Office Premises	**2,761.02**	924.39
staff		

	31-Mar-2025	31-Mar-2024
	€	€
60030003 SubconExp-Ring Fenci	**101,830.00**	0.00
60090137 HW/SW/AMC Proj speci	**10,799.86**	0.00
60090174 Recruitment Expense - Others	**14,000.00**	0.00
	126,629.86	0.00
mail expenses		
60090024 Telephone Exps - Mobile phone	**1,358.14**	763.79
Legal and consulting expenses		
60090090 Statutory Audit Fees	**6,477.70**	0.00
60090092 Legal Exp - Advisory	**5,362.50**	0.00
60090098 Prof Fees - Misc - Adv & Cnslt	**-425.00**	5,068.46
60090099 Prof Fees - INT Tax	**-1,254.95**	7,233.00
60090104 Prof Fees - Payroll Processing	**6,407.77**	6,897.55
	16,568.02	19,199.01
transaction costs		
60090183 Bank Charges	**759.25**	699.87
allowance for doubtful accounts receivable		
40020018 Unrealised RevaluationGainloss	**0.00**	6.99
other operating expense		
40020012 Ex. gain/loss on Sale	**0.01**	0.00
60090029 Postage & Telegram	**3.20**	0.00
60090187 Other Charges	**105.45**	462.08
60090206 Miscellaneous Charge Expense	**2.89**	-0.02
60090324 PB & KRA - Onsite	**35,948.00**	0.00
	36,059.55	462.06
	208,724.59	41,476.28
Subtotal no. 1 to 3 (Operating profit)	**45,438.64**	46,617.00
Earnings before taxes	**45,438.64**	46,617.00
Taxes on income		
60110002 Corporate Tax	**10,451.00**	11,654.00
Earnings after taxes	**34,987.64**	34,963.00
Net profit for the year	**34,987.64**	34,963.00
Profit carried forward from the previous years		
30020010 Profit And Loss Account (Accum)	**158,039.09**	123,076.09
Balance sheet profit	**193,026.73**	158,039.09

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2024/2025

TechM IT-Services GmbH Wien

General principles

The financial statements as of March 31, 2025 were prepared in accordance with current accounting principles of the Austrian Commercial Code (UGB).

The profit and loss account were drawn up in total cost format.

Compared to previous years, the presentation of the financial statements remained the same.

Additional details were provided in the notes to the financial statements if required to the financial, assets and earnings position.

The company is classified as, smallest corporation" according to § 221 of the Commercial Code.

Accounting and valuation principles

The Financial Statements were prepared under the Generally Accepted Accounting Principles, giving a true and fair view of the Company's financial position.

The principle of completeness was applied at preparation of the Financial Statements.

The evaluation of assets and liabilities was carried out considering the principle of individual items valuation and the going concern concept.

The principle of prudence was considered by showing only the realized gains at balance sheet date. All recognizable risks and possible future losses arisen in the fiscal year were taken into account.

Valuation principles remained unchanged compared to prior years.

Accounts receivable are valued at their nominal value. Recognizable risks are considered by individual allowances.

Accruals are calculated according to legal requirements and considering all recognizable risks and anticipated losses.

Liabilities are valued at repayment amounts.

Other information

The Company's Managing Directors are:

Management:	Name	since	until
	Kotian Sujan	2023-03-01	

Consolidation group

Tech Mahindra Limited, Mumbai, India, the ultimate parent company, prepares the consolidated financial statement of the Group, of which the Company forms part. These consolidated financial statements may be obrained from Tech Mahindra Limited at its registrered office.

Average number of employees

In financial year 2024/2025 were an average of 4 employees employed (previous year: 5employee).

Sujan Kotian
Managing Director
Date : 16-05-2025

TECH MAHINDRA LUXEMBOURG S.A R.L.

Management Certified Financial Statements for the year ended 31st March, 2025

Board of Directors
Mr. Stephane Julien
Mr Pankaj S Kulkarni

Registered office
SENNINGERBER LUXEMBOURG AIRPORT MOONAR
6D, Rte de Trèves, 2nd floor
L-2633 Senningerberg, Niederanven
Luxembourg

Bankers
CITIBANK EUROPE PLC

BALANCE SHEETS AS OF MARCH 31, 2025

Libellé	Codes	March 31, 2024 [EUR]	March 31, 2023 [EUR]
A. Subscribed capital unpaid	AA		
B. Formation expenses	AB		
C. Fixed assets	AC	**25,574.00**	**12,336.00**
III. Financial assets	ACIII	**25,574.00**	12,336.00
6. Other loans	ACIII6	**25,574.00**	12,336.00
23620000 Deposits and guarantees paid	ACIII6	**25,574.00**	12,336.00
D. Current Assets	AD	**459,271.50**	270,801.27
II. Debtors	ADII	**328,635.05**	155,037.02
1. Trade debtors	ADII1	**100,000.00**	15,131.29
a) becoming due and payable after less than one year	ADII1a	**100,000.00**	15,131.29
40140000 Customers - Unbilled sales	ADII1a	**100,000.00**	0.00
44113001 Adv to suppl mis pur Kolkata	ADII1a	**0.00**	15,131.29
2. Amounts owed by affiliated undertakings	ADII2	**125,944.80**	87,014.87
a) becoming due and payable after less than one year	ADII2a	**125,944.80**	87,014.87
41112000 Loans and advances	ADII2a	**125,944.80**	87,014.87
4. Other debtors	ADII4	**102,690.25**	52,890.86
a) becoming due and payable after less than one year	ADII4a	**102,690.25**	52,890.86
42111000 Advances and down payments	ADII4a	**32,000.00**	0.00
42141000 Corporate income tax	ADII4a	**46,669.03**	3,535.00
42144000 Withholding tax on wages and salaries	ADII4a	**630.11**	630.11
42161200 VAT receivable	ADII4a	**21,813.37**	47,148.01
42181100 Foreign VAT	ADII4a	**1,577.74**	1,577.74
IV. Cash at bank and in hand	ADIV	**130,636.45**	115,764.25
51310000 Banks and CCP : available balance	ADIV	**127,641.05**	115,764.25
51710000 Internal transfers : debit balance	ADIV	**2,995.40**	0.00
E. Prepayments and accrued income	AE	**5,338.00**	0.00
48100000 Deferr. charges(on one/more fin. years)	AE	**5,338.00**	0.00
TOTAL (ASSETS)	ACTIF	**490,183.50**	283,137.27

	Codes	31 March, 2024 [EUR]	31 March, 2023 [EUR]
A. Capital and reserves	PA	**201,796.78**	155,921.33
I. Subscribed capital	PAI	**12,000.00**	12,000.00
10100000 Subscribed capital	PAI	**12,000.00**	12,000.00
IV. Reserves	PAIV	**1,200.00**	1,200.00
1. Legal reserve	PAIV1	**1,200.00**	1,200.00
13100000 Legal reserve	PAIV1	**1,200.00**	1,200.00
V. Profit or loss brought forward	PAV	**142,721.33**	107,218.00
14120000 Results brought forward (assigned)	PAV	**142,721.33**	107,218.00
VI. Result for the financial year	PAVI	**45,875.45**	35,503.33
B. Provisions	PB	**216,706.21**	68,318.18
1. Provisions for pensions and similar obligations	PB1	**26,470.49**	27,659.49
18100001 Prov Leave Encash-Foreign Branch	PB1	**22,137.70**	27,659.49
18100002 Provision for Salaries Onsite	PB1	**4,332.79**	0.00
2. Provisions for taxation	PB2	**55,652.69**	40,658.69
18200000 Provisions for taxation	PB2	**55,652.69**	40,658.69
3. Other provisions	PB3	**134,583.03**	0.00
18810000 Operating provisions	PB3	**134,583.03**	0.00
C. Creditors	PC	**71,680.51**	58,897.76
4. Trade creditors	PC4	**49,374.99**	47,037.60
a) becoming due and payable after less than one year	PC4a	**49,374.99**	47,037.60
44111000 Suppliers	PC4a	**42,725.00**	15,646.04
44112000 Suppliers - invoices not yet received	PC4a	**6,649.99**	31,391.56
8. Other creditors	PC8	**22,305.52**	11,860.16
b) Social security authorities	PC8b	**22,241.18**	11,860.00
46210000 Social Security office (CCSS)	PC8b	**22,241.18**	11,860.00
c) Other creditors	PC8c	**64.34**	0.16
i) becoming due and payable within one year	PC8ci	**64.34**	0.16
47140000 Amounts payable to staff	PC8ci	**64.34**	0.16
D. Deferred income	PD		
TOTAL (CAPITAL, RESERVES AND LIABILITIES)	PASSIF	**490,183.50**	283,137.27

PROFIT AND LOSS ACCOUNT

		Codes	31 March, 2024	31 March, 2023
1.	**Net turnover**	R1	**1,731,992.41**	1,009,105.52
	70800001 Revenue Direct - Int	R1	**1,231,685.41**	1,009,105.52
	70800002 Revenue Indirect - InterCo	R1	**500,307.00**	0.00
2.	**Variation in stocks of finished goods and in work in progress**	R2		
3.	**Work performed by the undertaking for its own purposes and capitalised**	R3		
4.	**Other operating income**	R4	**8,594.95**	0.00
	74880000 Miscellaneous operating income	R4	**8,594.95**	0.00
5.	**Raw materials and consumables and other external expenses**	R5	**- 637,858.84**	- 141,287.98
	b) Other external charges	R5b	**- 637,858.84**	- 141,287.98
	61112000 Buildings	R5b	**- 54,900.00**	- 61,076.36
	61123000 Rolling stock	R5b	**- 10,572.86**	- 11,750.00
	61128000 Other	R5b	**- 2,465.62**	- 7,684.75
	61342000 Accounting,tax consult.,audit. & similar	R5b	**5,166.99**	- 17,856.16
	61348000 Other professional fees	R5b	**- 6,241.31**	- 9,715.07
	61380000 Oth.remun. of intermediaries & prof.fees	R5b	**- 500,307.00**	0.00
	61480000 Other insurances	R5b	**- 4,642.12**	- 2,336.04
	61480002 Insurance - Travel	R5b	**- 24.06**	- 29.84
	61515000 Catalogues, printed materials&publicat.	R5b	**- 167.42**	-80.20
	61518000 Other purchases of advertising services	R5b	**-82.80**	- 9,491.73
	61521200 Staff	R5b	**- 1,387.05**	- 4,789.42
	61521201 Travel Abroad - Other	R5b	**- 2,458.13**	- 9,400.60
	61521202 Travel Abroad - Visa	R5b	**- 50,084.73**	321.93
	61521203 Travel Inland - L & B	R5b	**- 4,480.00**	- 674.78
	61521204 Pantry Exps.	R5b	**- 853.18**	- 660.35
	61531000 Postal charges	R5b	**- 33.27**	-58.00
	61532000 Telecommunication costs	R5b	**- 2,782.15**	- 4,991.16
	61532001 Telephone Exps - Off	R5b	**- 3.55**	- 109.99
	61851000 Office supplies	R5b	**- 337.00**	0.00
	61852000 Small equipment	R5b	**- 103.15**	0.00
	61880000 Other miscellaneous external charges	R5b	**- 1,100.43**	- 905.46
6.	**Staff costs**	R6	**- 1,040,447.46**	- 814,773.78
	a) Wages and salaries	R6a	**- 936,406.36**	- 728,367.34
	62111000 Base wages	R6a	**- 621,819.12**	- 391,485.13
	62114001 Comi on sales(offshore/Onsite)	R6a	**0.00**	- 124.21
	62114002 Variable Perform Allow. Onsite	R6a	**- 43,185.32**	- 18,533.93
	62180001 Leave Encashment Onsite	R6a	**- 9,263.46**	- 3,077.11
	62180003 Special Allowance -Onsite	R6a	**- 262,138.46**	- 315,146.96
	b) Social security costs	R6b	**- 104,041.10**	- 86,406.44
	ii) other social security costs	R6bii	**- 104,041.10**	- 86,406.44
	62320000 Other social security costs	R6bii	**- 104,041.10**	- 86,406.44

		Codes	31 March, 2024	31 March, 2023
7.	**Value adjustments**	R7		
8.	**Other operating expenses**	R8	**-2,027.20**	-6,224.01
	64680000 Other duties and taxes	R8	**-226.77**	0.00
	64810000 Fines, sanctions and penalties	R8	**-1,800.43**	0.00
	64880000 Miscellaneous operating charges	R8	**0.00**	-75.50
	64880010 PB & KRA - Onsite	R8	**0.00**	-6,148.51
9.	**Income from participating interests**	R9		
10.	**Income from other investments and loans forming part of the fixed assets**	R10		
11.	**Other interest receivable and similar income**	R11	**1,799.18**	1,339.07
	b) other interest and similar income	R11b	**1,799.18**	1,339.07
	75620000 Foreign currency exchange gains - other	R11b	**0.00**	3.06
	75820000 Other financial income - other	R11b	**1,799.18**	1,336.01
12.	**Share of profit or loss of undertakings accounted for under the equity method**	R12		
13.	**Value adjustments in respect of financial assets and of investments held as current assets**	R13		
14.	**Interest payable and similar charges**	R14	**-1,183.59**	-28.49
	b) other interest and similar charges	R14b	**-1,183.59**	-28.49
	65620000 Foreign currency exchange losses - other	R14b	**-31.04**	-28.49
	65820000 Other financial charges - other	R14b	**-1,152.55**	0.00
15.	**Tax on profit or loss**	R15	**-14,994.00**	-12,627.00
	67110000 CIT - current financial year	R15	**-14,994.00**	-12,627.00
16.	Profit or loss after taxation	R16	**45,875.45**	35,503.33
17.	Other taxes not shown under items 1 to 16	R17		
18.	Profit or loss for the financial year	R18	**45,875.45**	35,503.33
Profit and loss account		R	**45,875.45**	35,503.33
OUTSIDE BALANCE SHEET		OUT	**0.00**	0.00

ANNEX OF ANNUAL ACCOUNTS MARCH 31ST 2025

GENERAL

Financial year

The company Tech Mahindra Luxembourg S.à.r.l. (R.CS B244350) was incorporated on May 27th 2020, for an unlimited period, as Limited company. The registered office of the company is established in 5, rue Heienhaff L-1736 Senningerberg.

The company has the purpose of the Expansion of IT services and solutions.

According to the article n° 313 of the law modified of August 10th, 1915, on trading Companies, the Company is exempted to establish the consolidated accounts.

GENERAL PRINCIPLES

The annual accounts of the Company are drawn up in conformity with the Luxembourg legal and regulatory requirements and according to generally accepted accounting principles applicable in Luxembourg.

Note 01 Main rules of evaluation

Foreign currency translation

The Company maintains its accounts in Euro (EUR); the balance sheet and the account of profits and losses are expressed in this currency.

At the closing date of the balance sheet:

- Formation expenses as well as intangible, tangible and financial fixed assets expressed in another currency than the currency of the balance sheet are translated at the historical foreign exchange rate;
- Other assets and liabilities are translated separately respectively at the lower or at the higher of the value converted at the historical exchange rate or the value determined based on the exchange rates effective at the balance sheet date.

The unrealized exchanges losses are recorded in the profit and loss account. The realized exchange gains are recorded in the profit and loss account at the moment of their realization. Consequently, only realized exchange gains and losses and unrealized exchange losses are reflected in the profit and loss accounts.

Formation expenses

The formation expenses are taken in charge immediately or amortized on a linear basis over a period of 5 years.

Intangible assets

Intangible assets are accounted in their acquisition price, deduction made by the corrections values.

The corrections values are calculated in a linear way on basis of their estimated useful life's.

Tangible assets

The tangible assets are accounted in their acquisition price, deduction made by the corrections values.

The corrections values are calculated in a linear way on basis of their estimated useful life's.

Financial fixed assets

Participations in affiliated companies as well as participations and securities characterized as fixed assets are valued individually at the lower of acquisition cost or market value.

The determination of the market value is based on the financial statements of the Companies to be valued and/or on other available information and documents.

Receivables itemized as financial fixed assets are valued at face value. A value adjustment is carried out whenever the estimated realizable value is lower than the face value.

Accounts receivable

Accounts receivables are valued at their nominal value. A value adjustment is carried out whenever the estimated realizable value is lower than the nominal value.

Stocks

The raw and consumable are estimated at the lowest acquisition price determined according to the method average prices.

Products in progress of manufacturing and finished products are estimated at the cost price which includes (according to the art. 61 (2)) the purchase price of the raw and consumable, the direct costs of production, as well as a share of the indirect expenses. A value adjustment is applied when the estimated value of realization is lower than the cost price.

Marketable securities

The acquisition cost of marketable securities is determined on basis of the method average prices (or FIFO or LIFO or similar method). A value adjustment is applied when the estimated value of realization is lower than the acquisition cost.

Provisions for risks and charges

Provisions shall be made at year end for the purpose of covering all and any foreseeable risk and expense. Provisions relating to previous years shall be received on a regular basis and taken into result when becoming without purpose.

The immune capital gains

The immune capital gains are accounted for their difference between the value of realization of fixed assets and the accounting net value. The capital gains are deducted from the purchase price of fixed assets acquired in re-use.

Subsidies of investment

The subsidies of investment are accounted as soon as the Company considers, in best of its knowledge, their probable or unquestionable obtaining.

They are accounted under deduction of the deferred taxes.

Amount net turnover

Net amount of the turnover includes amounts resulting from the sale of products and from the service corresponding to the common activities of the Company, the deduction made by reductions on sales, as well as by value-added tax and the others taxes were directly connected to the turnover.

Note 02 Receivables resulting from sales and services – Receivables connected companies – Receivables on companies with which the Company has a link of participation – Others Receivables

	Total
	EUR
March 31st 2025	
Receivables resulting from sales and services	**100,000.00**
Receivables connected companies	
Receivable on companies with which the Company has a link of participation	**125,944.80**
Others receivable	**102,690.25**
Total	**328,635.05**

Note 03 Shareholder's equity

a. Evolution of the Shareholder's equity

	Suscribed capital	Legal reserve	the Other reserves	Results
	EUR	EUR	EUR	EUR
Situation at the closing balance 2023	12.000,00	1.200,00		107.218,00
Capital increase				
Profit or loss for the financial year				35.503,33
Affectation of the exercise				
- Dividends				
- Percentages				
- Legal Reserve				
- Others reserves				
Situation at the opening balance 2024	**12.000,00**	**1.200,00**	**0,00**	**142.721,33**

b. Subscribed capital

As of March 31, 2025, the subscribed capital completely released of EUR 12 000, 00 is represented by 12 000 shares of a nominal value EUR 1,00 each.

c. Legal reserve

According to the legislation in force, it must be transfer a minimum of 5% of the net profits, after absorption of the possible losses; to the legal reserve. This transfer ceases to be necessary once the balance on the legal reserve reaches 10 % of the share capital.

Note 04 Debts

	Total
	EUR
March 31st 2025	
Covertible debenture loans	
Not Covertible debenture loans	
Debts to credit institutions	
Payments received on account	
Debts on purchases and services	**49.374,99**
Debts represented by bill of exchanges commercial	
Debts connected companies	
Debts on companies with which the Company has a link of participation	
Fiscal devts and in conformance with the Social Security	**22.241,18**
Others Debts	**64,34**
Total	**71.680,51**

Note 05 Time-period result affectation

	31-03-25
Benefit (Loss) brought forward	**142.721,33**
Time-Period result-Benefit (Loss)	**45.875,45**
Legal reserve	
Benefit (Loss) brought forward EUR	**188.596,78**

Stephane Julien
Manager

Date: 8th May 2025

Pankaj S Kulkarni
Manager

Date: 8th May 2025

TECH MAHINDRA (SINGAPORE) PTE. LIMITED

Board of Directors
Mr. Harshvendra Soin (Appointed, effective 19-12-2024)
Mr. Sudhir Dhar
Mr. Manish Kumar Patawari

Registered Office
1 CHANGI BUSINESS PARK CRESCENT
#04 - 04 PLAZA 8 @ CBP
SINGAPORE 486025

Bankers
HSBC Bank
Standard Chartered Bank
Development Bank of Singapore

Auditors
MGI N Rajan Associates

DIRECTORS' STATEMENT

The directors present their statement to the members of Tech Mahindra (Singapore) Pte. Limited (the "Company") together with the audited financial statements of the Company for the financial year ended 31 March 2025.

1 Opinion of the directors

In the opinion of the directors,

a) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2025, the financial performance, changes in equity and cash flows of the Company for the financial year then ended in accordance with the provisions of the Singapore Companies Act, 1967 and Singapore Financial Reporting Standards.

b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2 Directors

The directors in office at the date of this statement are as follows:

Mr. Harshvendra Soin (Appointed, effective 19-12-2024)

Mr. Sudhir Dhar

Mr. Manish Kumar Patawari

3 Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects were, or one of the objects was, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, except as disclosed in paragraph 4 below.

4 Directors' interests in shares and debentures

The directors of the Company holding office at the end of the financial year had no interest in the shares and debentures of the Company and related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act, except as disclosed below:

Name of director and corporation in which interests are held	Direct interest	
	At beginning of the year or date of appointment	At end of the year
Ultimate holding company		
Tech Mahindra Limited		
(Ordinary shares of Indian Rupees 5 each)		
Dhar Sudhir	18,456	30,860
Share options to subscribe for ordinary shares		
Harshvendra Soin	25,750	16,750
Dhar Sudhir	29,700	17,380

5 Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

6 Auditors

The auditors, MGI N RAJAN ASSOCIATES, have expressed their willingness to accept appointment.

The board of directors,

Manish Kumar Patawari
Director
Date: 21-05-2025

Dhar Sudhir
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TECH MAHINDRA (SINGAPORE) PTE. LTD. FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Tech Mahindra (Singapore) Pte. Ltd, (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2025 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). 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 Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

The financial statement of the Company for year ended 31 March 2024 were audited by another firm of auditors, who expressed an unmodified opinion on those financial statements on 24 May 2024.

Other information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 231 to 232.

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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we 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.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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, or has no realistic alternative but to do so.

The directors' responsibilities include 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 assurance, but is not a guarantee that an audit conducted in accordance with SSAs 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 SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

MGI N RAJAN ASSOCIATES

Public Accountants and
Chartered Accountants

Singapore

Date: 21-05-2025

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note	2025 S$	2024 S$
Assets			
Non-current assets			
Plant and equipment	4	**310,787**	624,697
Intangible Assets	4A	**-**	-
Investments in subsidiaries	5	**54,870,596**	187,340,684
Deferred tax assets	6	**571,125**	118,411
Total non-current assets		**55,752,508**	188,083,792
Current assets			
Trade receivables	7	**8,697,075**	7,445,239
Other receivables and prepayments	8	**558,405**	2,371,069
Cash and bank balances	9	**10,701,696**	8,245,249
Income tax receivables	15	**226,753**	148,750
Total current assets		**20,183,929**	18,210,307
Total assets		**75,936,437**	206,294,099
Equity			
Share capital	10	**184,061,337**	184,061,337
Accumulated profits		**(118,586,375)**	13,269,098
Merger reserves	10	**386,753**	386,753
Total equity		**65,861,715**	197,717,188
Non-current liability			
Lease Liability	14	**-**	272,562
Other Payables	11	**-**	1,561,000
Provisions	12	**65,590**	135,220
Total Non-current liability		**65,590**	1,968,782
Current liabilities			
Trade payables	13	**256,948**	438,214
Other payables	11	**9,356,352**	5,589,946
Provisions	12	**122,781**	228,271
Lease liability	14	**273,051**	351,698
Income tax payables	15	**-**	-
Total current liabilities		**10,009,132**	6,608,129
Total liabilities		**10,074,722**	8,576,911
Total equity and liabilities		**75,936,437**	206,294,099

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Note	**2025 S$**	2024 S$
Revenue	16	**7,732,003**	11,561,642
Other operating income		**403,642**	14,979
Employee benefits expenses		**(5,107,755)**	(7,599,131)
Depreciation expenses	4	**(370,728)**	(464,491)
Finance cost		**(17,881)**	(10,544)
Other operating expenses		**(1,895,630)**	(2,780,198)
Impairment for investment in subsidiaries	5	**(132,628,849)**	-
Profit/(Loss) before tax	17	**(131,885,198)**	722,257
Tax expenses	18	**29,725**	(111,786)
Profit/(Loss) for the year, representing total comprehensive income/(loss) for the year		**(131,855,473)**	610,471

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Share Capital S$	Accumulated profits S$	Merger reserves S$	Total S$
At 1 April 2023	184,061,337	12,658,627	386,753	197,106,717
Profit for the year, representing total comprehensive income for the year	-	610,471	-	610,471
At 31 March 2024	184,061,337	13,269,098	386,753	197,717,188
Profit/(loss) for the year, representing total comprehensive income for the year	-	(131,855,473)	-	(131,855,473)
At 31 March 2025	**184,061,337**	**(118,586,375)**	**386,753**	**65,861,715**

Merger reserves

This represents the difference between the nominal value of shares issued by the Company in exchange for the nominal value of shares and capital reserve of subsidiaries acquired which is accounted for under “pooling-of-interest”.

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Note	2025	2024
		S$	S$
Cash flows from operating activities			
Profit/(Loss) before tax		**(131,885,198)**	722,257
Adjustments for:			
Depreciation expense	4	**370,728**	464,491
Interest expense		**17,881**	10,544
Interest income		**(3,867)**	(14,979)
Provision for impairment on investment		**132,628,849**	-
Reversal for impairment on trade receivables (net)	7	**68,535**	-
Fair value (gain)/loss on earnout consideration		**(135,658)**	-
Unrealised (gain)/loss		**(216,070)**	-
		845,200	1,182,313
Changes in:			
- trade receivables		**(1,320,370)**	(2,160,760)
- other receivables and prepayments		**1,389,677**	145,363
- trade payables		**(181,526)**	(1,066,487)
- other payables		**2,450,576**	2,523,818
- provisions		**(175,120)**	(99,540)
Cash generated from operations		**3,008,437**	524,707
Tax paid		**(78,003)**	(239,784)
Net cash generated from operating activities		**2,930,434**	284,923
Cash flows from investing activities			
Interest received from fixed deposit/loan to a related company		**3,867**	14,979
Purchase of plant and equipment	4	**(56,817)**	(1,850)
Net cash generated from/(used in) investing activities		**(52,950)**	13,129
Cash flow from financing activity			
Decrease/(Increase) in time deposit pledged		**(735,276)**	1,012,914
Repayment of lease liability		**(351,209)**	(463,080)
Interest paid		**(17,881)**	(10,544)
Net cash generated from financing activity		**(1.104,366)**	539,290
Net increase in cash and cash equivalents		**1,773,118**	837,342
Cash and cash equivalents at beginning of year		**8,245,249**	7,407,907
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies		**(51,947)**	-
Cash and cash equivalents at end of year *	9	**9,966,420**	8,245,249

* "The difference in cash and cash equivalents at the end of the year, as compared with the financial statements, is mainly on account of pledged fixed deposits, as the same do not form part of cash and cash equivalents."

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Reconciliation of liability arising from financing activities

			Non-cash movement		
	1 April	**Financing cash inflows/ (outflows)**	**Addition**	**Interest expense**	**31 March**
	S$	**S$**	**S$**	**S$**	**S$**
2025					
Lease liability	**624,260**	**(369,090)**	**-**	**17,881**	**273,051**
2024					
Lease liability	377,488	(473,624)	709,852	10,544	624,260

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 Domicile and activities

Tech Mahindra (Singapore) Pte. Limited ('the Company') is incorporated in the Republic of Singapore. The address of the Company's registered office is 1 Changi Business Park Crescent, #04-04 Plaza 8 @ CBP, Singapore 486025.

The principal activities of the Company are investment holding, providing consultancy and services relating to information technology and development of software solutions and products.

The Company is a wholly owned subsidiary of Tech Mahindra Limited, incorporated in India, which is also the ultimate holding company.

The financial statements of the Company for the financial year ended 31 March 2025 were authorised for issue in accordance with a resolution of the directors as at date of the Director's Statement.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore ('FRS').

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Company's functional currency.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with FRS requires management to make judgements, estimates and assumptions that affect the application of 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 accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements, assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- Note 6 - measurement of recoverable amounts of investment in subsidiaries;
- Note 7 and 8 - measurement of expected credit loss (ECL) allowance for trade receivables: key assumptions in determining the weighted-average loss rate;
- Note 12 - measurement of provision for unutilised leave.

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

3 Material accounting policy information

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Foreign currency

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in profit or loss.

3.2 Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investments in subsidiaries are stated in the Company's statement of financial position at cost less accumulated impairment losses. Cost includes any contingent consideration payable. Contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. Subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Consolidated financial statements for the Company and its subsidiaries have not been prepared as the Company is itself a wholly-owned subsidiary of Tech Mahindra Limited, which publishes consolidated financial statements which are available for public use. The registered address of Tech Mahindra Limited is Gateway Building, Apollo Bunder, Mumbai - 400001.

3.3 Merger accounting for business combination

The consolidated financial statements incorporate the financial statements items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are consolidated using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or bargain purchase.

The merger has been accounted for with a prospective approach with no restatement of periods prior to the business combination under common control.

The financial information in the financial statements is not restated for periods prior to the business combination under common control. The receiving entity accounts for the combination prospectively from the date on which it occurred.

3.4 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables and debt investments issued 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 (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost.

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

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

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.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

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

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

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

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

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

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They 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.

(iii) 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.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. 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.

(iv) 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.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

(vi) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3.5 Plant and equipment

(i) Recognition and measurement

Items of plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

The gain or loss on disposal of an item of plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment, unless it is included in the carrying amount of another asset. Land is not depreciated.

Depreciation is recognised from the date that the plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years are as follows:

- Equipment 3-5 years
- Leasehold improvements Over the remaining term of lease period

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.6 Intangible assets

Intangible assets acquired separately are reported at cost less accumulated amortisation (where they have finite useful lives) and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development

costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The estimated useful life has been taken as follows:

- Software 5 years

Intangible assets are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

3.7 Impairment

(i) Non-derivative financial assets and contract assets

The Company recognises loss allowances for ECLs on:

- financial assets measured at amortised costs; and
- contract assets (as defined in FRS 115).

Loss allowances of the Company are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

Simplified approach

The Company applies the simplified approach to provide for ECLs for all trade receivables (including lease receivables) and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Company applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is 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.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 365 days past due.

The Company considers a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The Company considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

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

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt investments at FVOCI 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 debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost and contract assets are deducted from the gross carrying amount of these assets.

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.

(ii) Non-financial assets

The carrying amounts of the Company's non-financial assets other than deferred tax assets and contract assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The Company's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the assets in the CGU (group of CGUs) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

3.8 Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3.9 Revenue

Rendering of services

Revenue from rendering of services in the ordinary course of business is recognised when the Company satisfies a performance obligation ("PO") by transferring control of a promised service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised services. The individual standalone selling price of a service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those POs.

The transaction price is the amount of consideration in the contract to which the Company expects to be entitled in exchange for transferring the promised services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component. Consideration payable to a customer is deducted from the transaction price if the Company does not receive a separate identifiable benefit from the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

Principal and Agent Relationship

The Company has a back-to-back revenue arrangement with its holding company to provide specified services to customers of the holding company. Under the terms of the arrangement, the holding company acts as the principal and is wholly responsible for providing the specified services to the end customer. To satisfy its performance obligation to the end customer, the holding company engages the Company as a sub-contractor provide services on its behalf. In addition, billings are made to the end customer by the Company on behalf of the holding company. The holding company subsequently recharges the Company for these billings. The Company is acting as an agent and recognises such billings made to third parties on a net basis in the statement of profit or loss.

The Company recognises revenue when its performance obligations to its holding company, to provide the specified service to the end customer is fulfilled (Note 17).

3.10 Finance cost

Finance costs comprise unwinding of interest on Lease liability.

3.11 Employment benefits

(i) Defined contribution plans

Payments to defined contribution plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to defined contribution plans, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has 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.

(iii) Unutilised leave benefits

The Company provides for unutilised leave benefits subject to Company's rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment or utilisation. The liability is accrued based on the number of days of unutilised leave at each balance sheet date. It is measured at the balance sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method. Actuarial gains and losses are recognised in full in the statement of profit and loss in the period in which they occur.

3.12 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in OCI.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under FRS 37 Provisions, Contingent Liabilities and Contingent Assets.

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

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

3.13 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 3.7. The Company's right-of-use assets are presented in Note 14.

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of staff accommodation (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

3.14 Standards issued but not yet effective

The following are the new/revised/amendments to FRSs issued up to 31 March 2025 which are effective for annual reporting periods beginning after 1 April 2025.

		Effective date (annual periods beginning on or after)
FRS 110, FRS 28	Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
FRS 118	Presentation and Disclosure in Financial Statements Illustrative Examples	1 January 2027
FRS 119	Subsidiaries without Public Accountability: Disclosures	1 January 2027

Consequential amendments were also made to various standards as a result of these new/revised standards.

The Company do not intend to early adopt any of the above new/revised standards, interpretations, and amendments to the existing standards. Management anticipates that the adoption of the aforementioned revised/new standards will not have a material impact on the financial statements of the Company in the period of their initial adoption.

4 Plant and equipment

	Equipment	Leasehold improvement	Right-of-use asset	Total
	S$	S$	S$	S$
Cost				
At 1 April 2023	1,529,496	-	624,403	2,153,899
Additions	1,850	-	-	1,850
Recognition of Lease	-	-	709,852	709,852
At 31 March 2024	1,531,346	-	1,334,255	2,865,601
Additions	36,155	20,662	-	56,817
At 31 March 2025	**1,567,501**	**20,662**	**1,334,255**	**2,922,418**
Accumulated depreciation				
At 1 April 2023	1,526,652	-	249,761	1,776,413
Depreciation for the year	1,118	-	463,373	464,491
At 31 March 2024	1,527,770	-	713,134	2,240,904
Depreciation for the year	8,914	6,887	354,926	370,727
At 31 March 2025	**1,536,684**	**6,887**	**1,068,060**	**2,611,631**
Carrying amounts				
At 31 March 2025	**30,817**	**13,775**	**266,195**	**310,787**
At 31 March 2024	3,576	-	621,121	624,697

4A Intangible assets

	Software
	$
Cost	
At 1 April 2023, 31 March 2024 and 31 March 2025	1,605,978
Accumulated amortisation	
At 1 April 2023, 31 March 2024 and 31 March 2025	1,605,978
Carrying amounts	
At 1 April 2023, 31 March 2024 and 31 March 2025	–

5 Investments in subsidiaries

	2025	2024
	S$	S$
Unquoted, equity investments at cost		
At beginning of year	**187,340,684**	187,340,684
Addition during the year	**-**	-
Other adjustments	**158,761**	-
At end of year	**187,499,445**	187,340,684
Provision for Impairment		
At the beginning of the year	**-**	-
Provision made during the year	**(132,628,849)**	-
At the end of year	**(132,628,849)**	-
Net Investments in subsidiaries	**54,870,596**	187,340,684

The details of subsidiary are as follows:

Name of company	Principal activities	Country of incorporation	Effective equity held by the Company	
			2025	2024
			%	%
Born Group Pte Ltd (Note a)	Content production and commerce solutions services	Singapore	**100**	100
Tenzing Limited (Note b)	Management consulting, digital transformation & technology services	New Zealand	**100**	100
Tech Mahindra Digital Pty Ltd.(Formerly known as Momenton Pty Ltd.) (Note c)	Digital technology services	Australia	**100**	100
Geomatic.ai Pty Limited (Note d)	Geospatial business and provide data capture services	Australia	**80**	80

Impairment loss assessment

Investments in subsidiaries are stated at cost less impairment loss. The Company evaluates on an annual basis whether there is an indicator that an impairment may have occurred. In its evaluation, the Company considers factors including the financial health and future business outlook for each subsidiary. If any impairment indicator is present, the Company determines the recoverable amount of the investment which is the higher of value in use or fair value less costs of disposal. The amount of any impairment loss identified is measured as the difference between the investment's carrying amount and recoverable amount. During the current year and based on projections and business outlook company assessed an impairment of SGD 132,628,849.

6 Deferred tax assets

	2025	2024
	S$	S$
Deferred tax assets	**571,125**	118,411

The following are the deferred tax assets recognised by the Company during the year:

	Plant and equipment	**Trade and other receivables**	**Provisions**	**Others**	**Total**
	S$	**S$**	**S$**	**S$**	**S$**
At 1 April 2023	79	29,999	85,568	34,548	150,194
Recognised during the year	190	-	2,575	(34,548)	(31,783)
At 31 March 2024	269	29,999	88,143	-	118,411
Recognised during the year	-	11,651	(32,863)	473,927	452,714
At 31 March 2025	**269**	**41,650**	**55,280**	**473,927**	**571,125**

7 Trade receivables

	2025	2024
	S$	S$
Third parties	**428,777**	1,212,190
Less: Impairment allowance	**(245,000)**	(176,465)
	183,777	1,035,725
Holding company	**1,649,811**	1,881,133
Unbilled receivable	**6,863,487**	4,528,381
	8,697,075	7,445,239

The credit period on services rendered to third parties and holding company ranges from 30 to 60 days (2024: 30 to 60 days). No interest is charged on the outstanding balance.

During the financial year ended 31 March 2025, the Company has provided for an impairment allowance of S$68,535, no such instance in the previous financial year.

The movement in allowance for impairment are as follows:

	2025	2024
	S$	S$
At beginning of year	**176,465**	176,465
Addition during the year	**68,535**	-
Provision reversed during the year	**-**	-
At end of year	**245,000**	176,465

8 Other receivables and prepayments

	2025	2024
	S$	S$
Advance to employees	**10,352**	-
Other receivables from fellow subsidiaries	**-**	1,736,169
Receivable from parent company	**21,036**	-
Advance to Suppliers	**70,813**	24,300
Prepayments	**336,466**	223,490
Other receivables**	**119,738**	151,386
Withholding tax receivable (net off provision)*	**-**	235,724
	558,405	2,371,069

Note :

* During the year ended 31 March 2025, the Company wrote off withholding tax receivable of SGD 184,559 pertaining to FY 2022–23 and prior years, for which returns have already been filed. Additionally, the Company made a provision of SGD 238,430 relating to FY 2023–24 and FY 2024–25, for which returns are yet to be filed, based on the relevant rules and regulations.

** The other receivables from fellow subsidiaries are unsecured, non-interest bearing and receivable on demand.

9 Cash and bank balances

	2025	2024
	S$	S$
Cash at bank	**5,966,420**	5,297,249
Fixed deposits*	**4,735,276**	2,948,000
Cash and cash equivalents	**10,701,696**	8,245,249

The effective interest rate relating to fixed deposit with a financial institution, at the reporting date is 2.67% (2024: 3.52%) per annum.

* The fixed deposit has a tenure of less than three months. Out of total fixed deposits, an amount of SGD 735,276 is held as lien by banks against bank guarantees.

10 Share capital

	2025	2024	2025	2024
	Number of shares		**S$**	S$
At 1 April	**18,406,132**	18,406,132	**184,061,337**	184,061,337
Issuance of shares	**-**	-	**-**	-
At 31 March	**18,406,132**	18,406,132	**184,061,337**	184,061,337

The ordinary shares, which have no par value, carry one vote per share and carry a right to dividends as and when declared by the Company.

During the year ended 31 March 2025 and 31 March 2024, no shares were issued.

11 Other payables

	2025	2024
	S$	S$
Accruals	**7,812,089**	5,386,135
Unearned revenue	**224,320**	132,907
GST payable	**3,432**	70,904
Consideration payable	**1,316,511**	1,561,000
	9,356,352	7,150,946
Non-current		
Consideration payable – Geomatic & Momenton	**-**	1,561,000
Current		
Accruals	**7,812,089**	5,386,135
Unearned revenue	**224,320**	132,907
GST payable	**3,432**	70,904
Consideration payable – Geomatic	**1,316,511**	-
	9,356,352	5,589,946

Reconciliations of the consideration payables are as follows:

	2025	2024
	S$	S$
At beginning of the year	**1,561,000**	1,561,000
Provisions made during the year	**158,762**	-
Reversal made during the year	**(135,658)**	-
Revaluation on account of exchange rate difference	**(267,593)**	-
Payments made	**-**	-
At end of the year	**1,316,511**	1,561,000

12 Provisions

	2025	2024
	S$	S$
Provision for unutilised leave		
Non-current	**65,590**	135,220
Current	**122,781**	228,271
	188,371	363,491

The Company calculates and records unutilised leave for its qualified employees. The amount recognised in the statement of financial position are determined as follows:

	2025	2024
	S$	S$
Present value of provision of unutilised leaves	**188,371**	363,491

Reconciliations of the present value of the provision of unutilised leave liabilities are as follows:

	2025	2024
	S$	S$
At beginning of the year	**363,491**	463,031
Provisions made during the year	**48,605**	24,803
Benefits paid	**(90,641)**	(124,343)
Liability transferred on account of transfer on employee	**(133,084)**	-
At end of the year	**188,371**	363,491

Actuarial assumptions

The cost of providing post-employment benefits is calculated by independent actuaries, Willis Tower Watson, using the Projected Unit Credit Method. The actuarial valuation was carried out using the following key assumptions:

	2025	2024
Discount rate	**2.6%**	3.0%
Salary escalation rate	**2.00% - 4.00%**	2.00% - 4.00%
Withdrawal rate	**0.1% - 0.50%**	0.1% - 0.50%

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Increase	Decrease
	S$	S$
2025		
Discount rate (0.5% movement)	**(1,340)**	**1,370**
Salary escalation rate (0.5% movement)	**1,380**	**(1,360)**
Withdrawal rate (0.5% movement)	**210**	**(250)**
2024		
Discount rate (0.5% movement)	(2,690)	2,740
Salary escalation rate (0.5% movement)	2,760	(2,730)
Withdrawal rate (0.5% movement)	630	(760)

13 Trade payables

	2025	2024
	S$	S$
Third parties	**189,702**	20,385
Holding company	**67,246**	417,829
	256,948	438,214

The average credit period on trade payables and holding company is 30 days (2024: 30 days). No interest is charged on the outstanding balance.

14 Right-of-use asset and lease liability

The Company as lessee

The Company lease office spaces for 24 months.

(a) Right-of-use assets

The carrying amount of right-of-use assets by class of underlying asset classified within plant and equipment as follows:

	Leasehold properties	Total
	S$	**S$**
At 1 April 2023	374,642	374,642
Addition	709,852	709,852
Depreciation	(463,373)	(463,373)
At 31 March 2024	621,121	621,121
Addition	-	-
Depreciation	(354,926)	(354,926)
At 31 March 2025	**266,195**	**354,926**

(b) Lease liability

	2025	2024
	S$	S$
Non-Current	**-**	272,562
Current	**273,051**	351,698
	273,051	624,260

The total cash outflow for leases during the financial year ended 31 March 2025 is S$369,090 (2024: S$473,624).

(c) Amounts recognized in profit or loss

	2025	2024
	S$	S$
Interest expense on lease liability	**17,881**	10,544
Depreciation of right-of-use assets	**354,926**	463,373
	372,807	473,917

15 Income tax (receivables)/payables

The movement in tax payables

	2025	2024
	S$	S$
At beginning of year	**(148,750)**	11,031
Provision made during the year	**-**	80,003
Payment during the year	**(78,003)**	(239,784)
At end of year	**(226,753)**	(148,750)

16 Revenue

	2025	2024
	S$	S$
Service income – ultimate holding company	**7,732,003**	11,561,642

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

Service income – ultimate holding company

Nature of goods or services	Service agreement with the immediate and ultimate holding company for reimbursement of costs incurred plus a mark-up (“cost-plus method”)
When revenue is Recognised	Revenue from services are recognised as and when cost is incurred under the service agreement.
Significant payment Terms	Invoices are issued to the customers after the services are performed and are normally payable within 30 days.

The following table provides information about receivables with customers.

	Note	2025	2024
		S$	S$
Trade receivables	8	**1,833,589**	2,916,859

Significant changes in the contract assets balances during the period are as follows.

	Contract assets	
	2025	2024
	S$	S$
Contract asset reclassified to trade receivables	**6,863,487**	4,528,380

17 Profit before tax

The following items have been included in arriving at profit before tax:

	2025	2024
	S$	S$
Employee benefits expense (see below)	**5,107,755**	7,599,131
Hardware/software billable cost	**363,555**	650,299
Allowance for impairment on trade receivables (net)	**68,535**	-
Provision for impairment on investment	**132,628,849**	-
Employee benefits expense (including directors):		
- Salaries and bonuses	**4,990,737**	7,356,911
- Contributions to defined contribution plans	**117,018**	242,220
	5,107,755	7,599,131

18 Tax expenses

	2025	2024
	S$	S$
Current tax expense		
Current year*	**422,989**	80,003
Deferred tax expenses		
Origination and reversal of temporary differences	**(452,714)**	(6,127)
Over/(Under)provision in prior years	**-**	37,910
	(452,714)	31,783
Total tax expenses	**(29,725)**	**111,786**
Reconciliation of effective tax rate		
Profit/(loss) before tax	**(131,885,198)**	**722,257**
Tax calculated using the Singapore tax rate of 17% (2024: 17%)	**-**	**122,784**
Tax effect of non-deductible items	**16,408**	**6,517**
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	**(77,486)**	**-**
Effect of previously unrecognised and unused tax losses and deductible temporary differences now recognised as deferred tax assets	**(518,057)**	**-**
Tax exemption	**-**	**(17,425)**
Tax rebate	**-**	**(38,000)**
Over/(Under)provision in prior years	**422,989**	**37,910**
Others	**126,421**	**-**
	(29,725)	**111,786**

* During the year ended 31 March 2025, the Company wrote off withholding tax receivable of SGD 184,559 pertaining to FY 2022–23 and prior years, for which returns have already been filed. Additionally, the Company made a provision of SGD 238,430 relating to FY 2023–24 and FY 2024–25, for which returns are yet to be filed, based on the relevant rules and regulations.

19 Related party transactions

Key management personnel compensation

Key management personnel of the Company are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. The Company considers members of the Board of Directors to be key management personnel of the Company.

	2025	2024
	S$	S$
Compensation of directors		
Short-term benefits	**-**	-
Post- employment benefits	**-**	-

Other related party transactions

Other than disclosed elsewhere in the financial statements, the following related company transactions took place between the Company and related companies during the year on terms agreed by the parties concerned:

	2025	2024
	S$	S$
Ultimate holding company		
Administrative service income	**(7,732,003)**	(11,561,642)
Fellow Subsidiary		
Other operating income	**-**	-
Interest income	**-**	-

20 Financial instruments

Financial risk management

Overview

The Company has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Board is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's trade receivables, contract asset and receivable from holding company.

The carrying amounts of financial assets and contract assets represents the Company's maximum exposure to credit risk, before taking into account any collateral held. The Company does not require any collateral in respect of their financial assets.

The Company has adopted procedures in extending credit terms to customers and in monitoring its credit risk. The Company only grants credit to creditworthy counterparties.

At the end of the reporting period, 90% (2024: 64%) of the trade receivables are due from holding company. The risk management process includes assessing corresponding credit standing and monitoring of collections.

Trade receivables

The Company is not exposed to any significant credit risk on its trade receivables (third parties) as the holding company bears the credit risk arising from third parties and has indemnified the Company arising from the back-to-back revenue arrangement between the Company and the holding company.

The Company held trade receivables from its holding company of S$1,649,811 (2024: S$1,881,133). The Company uses an approach that is based on an assessment of qualitative and quantitative factors that are indicative of the risk of default (including but not limited to audited financial statements, management accounts, and applying experienced credit judgement). There is no significant increase in credit risk for these exposures. Therefore, impairment on these balances has been measured on the 12 month expected credit loss basis; and the amount of the allowance is insignificant.

Cash and cash equivalents

The Company places its cash with reputable financial institutions. The cash and cash equivalents are held with bank and financial institution counterparties with high credit ratings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk

based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

Non-trade financial assets at amortised cost

Expected credit loss ("ECL") assessment

The Company held non-trade financial assets which comprises of advances to employees, loan to a related company, other receivables from fellow subsidiaries and other receivables as disclosed in Note 8.

The Company provides for expected credit losses for all non-trade financial assets using a provision matrix. The provision rates are determined based on the Company's historical observed default rates analysed in accordance to days past due and incorporates forward looking information such as a forecast of economic conditions.

As at 31 March 2025, the allowance for expected credit losses of advances to employees recognised based on lifetime ECL are Nil (2024: Nil).

There are no significant changes to estimation techniques or assumptions made during the year.

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 objective when managing liquidity is to ensure, as far as possible, it will always have sufficient liquidity to meet its liability when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Liquidity risk is managed by matching the payment and receipt cycle. The Company's operations are financed mainly through equity and accumulated profits.

The following table summarises the Company's remaining contractual maturity for its non-derivative financial liabilities at the end of the reporting period based on undiscounted cash flows of financial instruments premised on the earlier of the contractual date or when the Company is expected to pay.

	Carrying amount	Contractual cash flows	One year or less	One to five years
	S$	S$	S$	S$
Non-derivative financial liabilities				
31 March 2025				
Trade and other payables	9,613,300	9,613,300	9,613,300	-
Lease liability	273,051	369,091	369,091	-
	9,886,351	**9,982,391**	**9,982,391**	**-**
31 March 2024				
Trade and other payables	7,518,256	7,518,256	5,957,256	1,561,000
Lease liability	624,258	645,909	369,091	276,818
	8,142,514	8,164,165	6,326,347	1,837,818

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign exchange risk

Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company has very minimal exposure to foreign exchange risk as most transactions are transacted in the functional currency which is in Singapore dollars. The Company does not hedge its exposure to foreign exchange risk as the risk is not expected to be significant.

Currency	Amount in foreign currency	Amount (SGD)
Trade receivables from third parties		
31 March 2025		
USD	57,177	76,714
31 March 2024		
USD	513,257	692,173
Bank Account		
31 March 2025		
USD	1,844,975	2,475,384
31 March 2024		
USD	436,952	590,493

Sensitivity Analysis

Financial Assets	Carrying value (SGD)		
		+10%	-10%
31 March 2025			
For amount denominated in USD			
Trade receivables	**76,714**	**7,671**	**(7,671)**
Impact of financial assets before tax		**7,671**	**(7,671)**
Tax charge @ 17%		**(1,304)**	**1,304**
Impact on financial assets after tax		**6,367**	**(6,367)**
Bank Account	**2,475,384**	**247,538**	**(247,538)**
Impact of financial assets before tax		**247,538**	**(247,538)**
Tax charge @ 17%		**(42,081)**	**42,081**
Impact on financial assets after tax		**205,457**	**(205,457)**
Net impact		**211,824**	**(211,824)**
31 March 2024			
For amount denominated in USD			
Trade receivables	692,173	69,217	(69,217)
Impact of financial assets before tax		69,217	(69,217)
Tax charge @ 17%		(11,767)	11,767
Impact on financial assets after tax		57,450	(57,450)
Bank Account	590,493	59,049	(59,049)
Impact of financial assets before tax		59,049	(59,049)
Tax charge @ 17%		(10,038)	10,038
Impact on financial assets after tax		49,011	(49,011)
Net impact		106,461	(106,461)

Interest rate risk

The Company does not have any interest-bearing financial assets and liabilities except for its fixed deposits and loan to a related company. Fixed deposits and loan to related company are all short-term, hence, with the current interest rate level, any future variations in interest rates will not have a material impact on net profit.

No sensitivity analysis is prepared as the Company does not expect any material effect on the Company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

Capital management

The primary objective of the Company's capital management is to ensure that the Company is able to continue as a going concern and maintain an optimal structure so as to maximise shareholder value. The Company is a subsidiary within a larger corporate group. Consequently, management of capital is conducted and aligned to the group to which the Company belongs to.

Capital consists of shares capital and retained earnings of the Company. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company is not subject to externally imposed capital requirements.

Accounting classification and fair values

The carrying amount of financial assets and liabilities with a maturity period of one year or less, are a reasonable approximation of fair value due to short term to maturity.

Categories of financial instruments	**Note**	**2025**	2024
		S$	S$
Financial assets			
Trade receivables	7	**8,697,075**	7,445,239
Other receivables*	8	**140,774**	1,911,855
Cash and cash equivalents	9	**10,701,696**	8,245,249
Financial assets at amortised cost		**19,539,545**	17,602,343
Financial liabilities			
Trade payables	14	**256,948**	438,214
Other payables**	13	**7,812,089**	5,519,042
		8,293,358	5,957,256

* This includes only other receivables & receivables from fellow subsidiaries.

** Exclude unearned revenue, GST payables and consideration payable (contingent consideration)

Financial instruments measured at fair value

	Note	**2025**	2024
		S$	S$
Fair value at level 3			
Consideration payable (contingent consideration)	11	**1,316,511**	1,561,000

TECH MAHINDRA (BEIJING) IT SERVICES LIMITED

Board of Directors
Mr. Amitava Ghosh
Mr. Ravi Yallajosula
Mr. Mukesh Sharma

Registered Office
Room 512-1 & 512-2,
No.6 South Zhongguancun Street,
Haidian District, Beijing

Bankers
HSBC Bank Limited

Auditors
Shanghai Linfang Certified Public Accountants Co., Ltd.
Beijing

DIRECTORS' REPORT

Your directors present their report together with the audited accounts of your company for the year ended December 31, 2024.

Financial Results

For the years ended December 31	2024 RMB	2023 RMB
Income	30,128,134.95	38,541,309.15
Profit/(Loss) before tax	2,355,761.34	5,752,507.17
Net Profit	2,145,881.53	5,029,123.19

Review of Operations:

During the year under review, your Company recorded an income of RMB 30,128,134.95 and Net profit of RMB 2,145,881.53

Directors:

Mr. Amitava Ghosh, Mr. Ravi Yellajosula and Mr. Mukesh Sharma are directors of the Company

Outlook for the Current Year:

The Company is optimistic of increasing its business in near future.

Acknowledgments:

Your Directors gratefully acknowledge the co-operation and assistance received from the employees, bankers, State and other Government Authorities and support from the shareholder.

For TECH MAHINDRA (BEIJING) IT SERVICES LIMITED

Amitava Ghosh
Chairman

Ravi Yellajosula
Director

Place: Beijing, China
Date: 28th March 2025

INDEPENDENT AUDITORS' REPORT

TO TECH MAHINDRA (BEIJING) IT SERVICES LIMITED

I. Opinion

We have audited the financial statements of Tech Mahindra (Beijing) IT Services Limited (the Company), which comprise the statement of financial position as at December 31, 2024, and the statement of comprehensive income, statement of cash flows and statement of changes in equity for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with China Accounting Standards for Business Enterprises.

II. Basis for Opinion

We conducted our audit in accordance with China Auditing Standards. 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 China, 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.

III. Other matters

The Company's statement of financial position as at December 31, 2023, and the statement of comprehensive income, statement of cash flows and statement of changes in equity for 2023 and notes to the financial statements were audited by Other Certified Public Accountants Co., Ltd. and issued an unqualified opinion on April 28, 2024.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with China Accounting Standards for Business Enterprises and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.Those charged with governance are responsible for overseeing the Company's financial reporting process.

V. 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 assurance, but is not a guarantee that an audit conducted in accordance with China Auditing Standards 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.

During the process of our audit in accordance with China Auditing Standards, we exercise professional judgment and maintain professional skepticism. We also:

(1) 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.

(2) 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.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(4) 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, we shall not express unqualified 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.

(5) 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 those Charged with Governance about planned scope and timing of the audit, as well as significant findings from the audit, including notable internal control weaknesses identified from the audit.

_____

Chen Jie, China Certified Public Accountant

_____

Li Wen, China Certified Public Accountant

Shanghai Linfang Certified Public Accountants Co., Ltd.

Shanghai China
April 23, 2025

BALANCE SHEET DECEMBER 31, 2024

(ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED)

Assets	Notes	Ending balance	Beginning balance
Current assets:			
Cash and cash equivalents	VII.1	**4,580,196.94**	3,976,905.77
Held-for-trading financial assets			
Derivative financial assets			
Notes receivable			
Accounts receivable	VII.2	**12,672,733.65**	11,428,795.54
Receivables financing			
Advance to suppliers	VII.3	**581,321.29**	710,993.07
Other receivables	VII.4	**479,701.74**	497,695.38
Inventories			
Contract assets			
Assets held for sale			
Non-current asset due within one year			
Other current assets	VII.5	**380,931.98**	364,156.46
Total current assets		**18,694,885.60**	16,978,546.22
Non-current assets:			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments			
Other equity instrument investments			
Other non-current financial assets			
Investment properties			
Fixed assets	VII.6	**508,393.87**	351,778.00
Construction in progress			
Productive biological assets			
Oil and gas assets			
Right-of-use assets	VII.7	**75,882.40**	986,471.22
Intangible assets	VII.8	**61,391.10**	88,112.50
Development expenses			
Goodwill			
Long-term deferred expenses			
Deferred tax assets	VII.9	**7,955.93**	49,906.26
Other non-current assets			
Total non-current assets		**653,623.30**	1,476,267.98
Total assets		**19,348,508.90**	18,454,814.20

The accompanying notes are an integral part of these financial statements.

Legal Representative:	HARSH VENDRA SOIN
Person in charge of accounting function:	MUKESH SHARMA
Person in charge of accounting department:	MUKESH SHARMA

(ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED)

Liabilities and owner's equity	Notes	Ending balance	Beginning balance
Current liabilities:			
Short-term loans			
Held-for-trading financial liabilities			
Derivative financial liabilities			
Notes payable			
Accounts payable	VII.10	**494,759.41**	549,032.61
Advances from customers			
Contract liabilities			
Employee benefits payable	VII.11	**620,205.96**	610,742.22
Taxes and dues payable	VII.12	**117,001.10**	154,971.49
Other payables	VII.13	**250,146.58**	374,832.43
Liabilities held for sale			
Non-current liabilities due within 1 year	VII.14	**46,775.81**	
Other current liabilities			
Total current liabilities		**1,528,888.86**	1,689,578.75
Non-current liabilities:			
Long-term loans			
Bonds payable			
Lease liabilities	VII.15		1,091,496.94
Long-term accounts payable			
Long-term employee benefits payable			
Contingent liability			
Deferred revenue			
Deferred tax liabilities			
Other non-current liabilities			
Total non-current liabilities			1,091,496.94
Total liabilities		**1,528,888.86**	2,781,075.69
Owner's equity:			
Paid-in capital (or Stock)	VII.16	**5,574,666.02**	5,574,666.02
Other equity instruments			
Capital reserve			
Less: Treasury stock			
Other comprehensive income			
Special reserve			
Surplus reserve	VII.17	**1,224,495.40**	
Undistributed profits	VII.18	**11,020,458.62**	10,099,072.49
Total owner's equity		**17,819,620.04**	15,673,738.51
Total liabilities and owner's equity		**19,348,508.90**	18,454,814.20

The accompanying notes are an integral part of these financial statements.

Legal Representative:	HARSH VENDRA SOIN
Person in charge of accounting function:	MUKESH SHARMA
Person in charge of accounting department:	MUKESH SHARMA

TECH MAHINDRA (BEIJING) IT SERVICES LIMITED INCOME STATEMENT

FOR YEAR 2024

(ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED)

Item		Notes	Amount in current period	Amount in previous period
I.	Total operating income	VII.19	**30,143,437.53**	38,516,489.68
	Less: Operating cost	VII.19	**23,948,494.89**	
	Taxes and additions		**40,472.03**	1,064,130.06
	Selling expenses		**550,458.35**	
	Administrative expenses		**3,334,213.58**	31,714,157.67
	R&D expenses			
	Financial expenses		**-101,265.24**	10,514.25
	Add: Other income	VII.21	**-15,337.57**	24,819.47
Return on investments (losses “-”)				
Gains from net exposure hedge (losses “-”)				
Gains from fair value changes (losses “-”)				
Losses on credit impairment (losses “-”)				
Losses on asset impairment (losses “-”)				
Gains from disposal of assets (losses “-”)				
II.	Operating profit (losses “-”)		**2,355,726.35**	5,752,507.17
	Add: Non-operating income	VII.22	**34.99**	
	Less: Non-operating expenses			
III.	Total profit (total losses “-”)		**2,355,761.34**	5,752,507.17
	Less: Income tax expenses	VII.23	**209,879.81**	723,383.98
IV.	Net profit (net losses “-”)		**2,145,881.53**	5,029,123.19
	1. Net profit from on-going operations (net losses “-”)		**2,145,881.53**	5,029,123.19
	2. Net profit from discontinued operations (net losses “-”)			
V.	Net after tax of other comprehensive income			
	1. Other comprehensive income that cannot be reclassified to profit or loss			
	(1). Remeasurement of changes in the set income plan			
	(2). Other comprehensive income that cannot be transferred to profit or loss under the equity method			
	(3). Fair value changes on other equity instruments			
	(4). Fair value changes on enterprise’s own credit risk			
	2. Other comprehensive income reclassified to profit or loss			
	(1). Other comprehensive income that can be transferred to profit or loss under the equity method			

(ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED)

Item	Notes	Amount in current period	Amount in previous period
(2). Fair value changes on other debt investments			
(3). Amount of financial assets reclassified into other comprehensive income			
(4). Credit impairment provisions for other debt investments			
(5) Cash flow hedging reserves			
(6). Differences in translation of financial statements denominated in foreign currencies			
(7). Others			
VI. Total comprehensive income		**2,145,881.53**	5,029,123.19
VII. Earnings per share			
1. Basic earnings per share			
2. Diluted earnings per share			

The accompanying notes are an integral part of these financial statements.

Legal Representative:	HARSH VENDRA SOIN
Person in charge of accounting function:	MUKESH SHARMA
Person in charge of accounting department:	MUKESH SHARMA

TECH MAHINDRA (BEIJING) IT SERVICES LIMITED CASH FLOW STATEMENT

FOR YEAR 2024

(ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED)

Item	Notes	Amount in current period	Amount in previous period
I. Cash flows from operating activities			
Cash received from sale of goods and rendering of services		**28,938,057.16**	45,537,710.00
Tax refund			
Other cash received relating to operating activities		**98,779.07**	30,167.86
Sub-total of cash inflows from operating activities		**29,036,836.23**	45,567,877.86
Cash paid for goods and services		**838,819.20**	
Cash paid to and on behalf of employees		**24,762,629.75**	27,294,156.16
Payments of taxes and levies		**155,497.01**	1,746,557.55
Cash paid relating to other operating activities		**1,146,220.17**	16,060,732.25
Sub-total of cash outflows from operating activities		**26,903,166.13**	45,101,445.96
Net cash flows from operating activities		**2,133,670.10**	466,431.90
II. Cash flows from investing activities:			
Cash received from disposal of investments			
Cash received from return on investments			
Net cash received from disposal of fixed assets, intangible assets, and other long-term assets			
Net cash received from disposal of subsidiaries or other business units			
Cash received from other investment activities			
Sub-total of cash inflows from investing activities			
Cash paid to acquire fixed assets, intangible assets, and other long- term assets		**467,008.93**	145,637.52
Cash paid to acquire investments			
Cash paid to acquire subsidiaries and other business entities			
Cash paid for other investment activities			
Sub-total of cash outflows from investing activities		**467,008.93**	145,637.52
Net cash flows from investing activities		**-467,008.93**	-145,637.52
III. Cash flows from financing activities			
Cash received from capital contribution			
Cash received from borrowings			
Cash received from other financing activities			
Cash received from issuing bonds			
Sub-total of cash inflows from financing activities			
Cash repayments of borrowings			
Cash payments for dividends, profits, or interest expenses			
Cash paid for other financing activities		**1,063,370.00**	
Sub-total of cash outflows from financing activities		**1,063,370.00**	
Net cash flows from financing activities		**-1,063,370.00**	
IV. Effect of foreign exchange rate changes on cash and cash equivalents			

(ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED)

Item	Notes	Amount in current period	Amount in previous period
V. Net increase in cash and cash equivalents		**603,291.17**	320,794.38
Add: Beginning balance of cash and cash equivalents		**3,976,905.77**	3,656,111.39
VI. Ending balance of cash and cash equivalents		**4,580,196.94**	3,976,905.77

The accompanying notes are an integral part of these financial statements.

Legal Representative:	HARSH VENDRA SOIN
Person in charge of accounting function:	MUKESH SHARMA
Person in charge of accounting department:	MUKESH SHARMA

CHANGE STATEMENT OF OWNER'S EQUITY

FOR YEAR 2024 (ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED)

Item		Amount in current period				
		Paid-in capital (or Stock)	Capital reserve	Surplus reserve	Undistributed profits	Owner's equity
I.	Balance at end of last year	**5,574,666.02**			**10,099,072.49**	**15,673,738.51**
	Add: Changes in accounting policies					
	Corrections of prior period errors					
	Other					
II.	Beginning balance of current period	**5,574,666.02**			**10,099,072.49**	**15,673,738.51**
III.	Movements in current period (decrease "-")			**1,224,495.40**	**921,386.13**	**2,145,881.53**
	1. Total comprehensive income				**2,145,881.53**	**2,145,881.53**
	2. Capital contributions or decreases by owners					
	(1) Common stocks invested by owners					
	(2) Capital contributions by other equity instruments holders					
	(3) The amount of share-based payments recorded in owner's equity					
	(4) Other					
	3. Profit appropriation			**1,224,495.40**	**-1,224,495.40**	
	(1) Appropriation to surplus reserve			**1,224,495.40**	**-1,224,495.40**	
	(2) Appropriation to owners (or shareholders)					
	(3) Other					
	4. Transfer between equity components					
	(1) Capital reserve transfer to paid-in capital (or Stock)					
	(2) Surplus reserve transfer to paid-in capital (or Stock)					
	(3) Accumulated loss offset by surplus reserve					
	(4) Changes in remeasured benefit plans transferred to retained earnings					
	(5) Other comprehensive income transferred to retained earnings					
	(6) Other					
5.	Special reserve					
	(1) Extraction in current period					
	(2) Use in current period					
IV.	Ending balance of current period	**5,574,666.02**		**1,224,495.40**	**11,020,458.62**	**17,819,620.04**

The accompanying notes are an integral part of these financial statements.

Legal Representative: HARSH VENDRA SOIN

Person in charge of accounting function: MUKESH SHARMA

Person in charge of accounting department: MUKESH SHARMA

CHANGE STATEMENT OF OWNER'S EQUITY

FOR YEAR 2024 (ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED)

Amount in previous year

Item	Amount in previous period				
	Paid-in capital (or Stock)	Capital reserve	Surplus reserve	Undistributed profits	Owner's equity
I. Balance at end of last year	5,574,666.02			5,069,949.30	10,644,615.32
Add: Changes in accounting policies					
Corrections of prior period errors					
Other					
II. Beginning balance of current period	5,574,666.02			5,069,949.30	10,644,615.32
III. Movements in current period (decrease "-")				5,029,123.19	5,029,123.19
1. Total comprehensive income				5,029,123.19	5,029,123.19
2. Capital contributions or decreases by owners					
(1) Common stocks invested by owners					
(2) Capital contributions by other equity instruments holders					
(3) The amount of share-based payments recorded in owner's equity					
(4) Other					
3. Profit appropriation					
(1) Appropriation to surplus reserve					
(2) Appropriation to owners (or shareholders)					
(3) Other					
4. Transfer between equity components					
(1) Capital reserve transfer to paid-in capital (or Stock)					
(2) Surplus reserve transfer to paid-in capital (or Stock)					
(3) Accumulated loss offset by surplus reserve					
(4) Changes in remeasured benefit plans transferred to retained earnings					
(5) Other comprehensive income transferred to retained earnings					
(6) Other					
5. Special reserve					
(1) Extraction in current period					
(2) Use in current period					
IV. Ending balance of current period	5,574,666.02			10,099,072.49	15,673,738.51

The accompanying notes are an integral part of these financial statements.

Legal Representative: HARSH VENDRA SOIN

Person in charge of accounting function: MUKESH SHARMA

Person in charge of accounting department: MUKESH SHARMA

NOTES TO FINANCIAL STATEMENTS OF 2024

(All amounts in RMB Yuan unless otherwise stated)

I. GENERAL INFORMATION OF THE COMPANY

Tech Mahindra (Beijing) IT Services Limited (the Company) is a limited liability company (wholly-owned foreign corporation) invested by TECH MAHINDRA LIMITED. The company was established on September 25, 2007 and obtained the business license with Uniform Social Credit Code No. 91110105666903783P. Residential address of the Company is Room 2201, Building 8, No. 25 Ganluyuan nanli, Chaoyang District, Beijing and the registered capital is USD 2,500,000.00. The Company has an approved operating period from September 25, 2007 to September 24, 2037.

The approved business scope is: technology development, technical services, and technical consultation; software development; product design; and the sale of products developed by ourselves. (Market entities shall independently select business items in accordance with the law and conduct business activities; for projects that require approval according to law, business activities shall be carried out in accordance with the approved content after being approved by the relevant departments; and no business activities related to projects prohibited or restricted by national and local industrial policies shall be engaged in.)

II. BASIS OF PREPARATION

Based on going concern, the financial statements have been prepared in accordance with the “Accounting Standards for Business Enterprises-Basic Standards” promulgated by the Ministry of Finance and various specific accounting standards, guidelines for the application of accounting standards for enterprises, interpretations of accounting standards for enterprises and other relevant regulations (hereinafter collectively referred to as “ASBE”) according to actual transactions and events.

III. COMPLIANCE STATEMENT

The financial statements have been prepared in accordance with ASBE promulgated by the Ministry of Finance, and present fairly, in all material respects, the financial position, financial performance, cash flows and the related financial information

IV. PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATE

1. Accounting period

The Company’s accounting year starts on 1 January and ends on 31 December.

2. Recording currency

The recording currency of the Company is the Renminbi (RMB).

3. Cash and cash equivalents

When preparing the cash flow statement, the Company’s cash on hand and deposits available for payment at any time are recognized as cash. Investments with four characteristics of short-term (due within 3 months), high liquidity, easy conversion to known amounts of cash and an insignificant risk of changes in value will be identified as cash equivalents.

4. Transactions in foreign currency and foreign currency statement translation

Foreign currency transactions are translated into RMB should be translated to the base currency amount at the spot exchange rate provided by the parent company in India at the spot exchange rate of the HSBC trading date, however, the foreign currency exchange or other transactions involved foreign currency exchange business should be translated using actual exchange rate in the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into RMB at the stipulated exchange rates at the balance sheet date. Exchange differences arising from these translations are expensed, except for those attributable to foreign currency borrowings that have been taken out specifically for the construction of fixed assets, which are capitalized as part of the fixed asset costs. Non- monetary items denominated in foreign currencies and measured by fair value mode shall be translated at spot exchange rate of fair value determination date, and translation differences shall be included as gains and losses from changes of fair value or recognized as other comprehensive income. Non-monetary items denominated in foreign currencies and measured by historical costs, shall still be translated at spot exchange rate on the transaction date with no exchange difference occurred.

5. Financial instruments

Financial instruments include financial assets, financial liabilities and equity instruments.

(1) Classification of Financial Instruments

According to the Company's business model of financial assets management and the contractual cash flow characteristics of financial assets, financial assets shall be classified into the following categories when they are initially recognized: financial assets measured at amortized cost, financial assets measured at fair value with changes included into other comprehensive income and financial assets measured at fair value with changes included into the profits and losses of the current period.

The business model is to collect contractual cash flow as the goal and the contractual cash flow is only the payment of the principal and interest based on the amount of the outstanding principal, which shall be classified as financial assets measured at amortized cost; the business model is both to collect contractual cash flow and to sell the financial asset as the target and the contractual cash flow is only the payment of the principal and interest based on the amount of the outstanding principal, which shall be classified as financial assets measured at fair value with changes included into other comprehensive income; other financial assets shall be classified as financial assets measured at fair value with changes included into the profits and losses of the current period.

Equity instrument investments over which the Company has no control, joint control or significant influence shall be measured at fair value with changes included into the profits and losses of the current period, and listed as trading financial assets; Those expected to be held for more than one year from the balance sheet date shall be listed as other non-current financial assets.

In addition, the Company designates some non-tradable equity instrument investments as financial assets measured at fair value with changes included into other comprehensive income, and lists them as other equity instrument investments. The related dividend income of such financial assets is recorded in the current profits and losses.

Financial liabilities shall be classified into the following categories when they are initially recognized: financial liabilities measured at fair value with changes recorded into current profits and losses and financial liabilities measured at amortized cost.

(2) Recognition basis and measurement method of financial instruments

a. Financial assets measured at amortized cost

Financial assets measured at amortized cost include notes receivable, accounts receivable, other receivables, long-term receivables, debt investments, etc., which shall be initially measured at fair value, and relevant transaction costs shall be included in the initial recognition amount; Accounts receivable with significant financing components and the Company decides not to consider a financing component less than one year shall be initially recognized at the contract transaction price.

Interest calculated using the effective interest rate method during the holding period shall be included in the current profits and losses.

When recovering or disposing, the difference between the acquired price and the book value of the financial assets shall be included in the current profits and losses.

b. Financial assets measured by fair value with changes recorded into other comprehensive income

Financial assets measured at fair value with changes included into other comprehensive income including receivables financing, other debt investments, etc., shall be initially measured at fair value, and relevant transaction costs shall be included in the initial recognition amount. The financial assets shall be subsequently measured at fair value, and changes in fair value shall be included in other comprehensive income except for interest, impairment losses or gains and exchange gains and losses calculated using the effective interest rate method.

When terminating the recognition, the accumulated gains or losses previously recorded into other comprehensive income shall be transferred from other comprehensive income and recorded into current profits and losses.

c. Financial assets measured by fair value with changes recorded into other comprehensive income

Financial assets measured at fair value with changes included into other comprehensive income including other equity instrument investments, etc., shall be initially measured at fair value, and relevant transaction costs shall be included in the initial recognition amount. The financial assets shall be subsequently measured at fair value, and changes in fair value shall be included into other comprehensive income. The dividends obtained shall be included into current profits and losses.

When terminating the recognition, the accumulated gains or losses previously recorded into other comprehensive income shall be transferred from other comprehensive income and recorded into retained earnings.

d. Financial assets measured by fair value with changes recorded into current profit and loss.

Financial assets measured at fair value with changes included into the profits and losses of the current period including transactional financial assets, derivative financial assets, and other non-current financial assets, etc., shall be initially measured at fair value, and relevant transaction costs shall be included into current profits and losses. The financial assets shall be subsequently measured at fair value, and changes in fair value shall be included into current profits and losses.

When terminating the recognition, the differences between the book value and the consideration paid shall be recorded into current profits and losses.

e. Financial liabilities measured by fair value with changes recorded into current profit and loss

Financial liabilities measured at fair value with changes included into the profits and losses of the current period including transactional financial liabilities, derivative financial liabilities, etc., shall be initially measured at fair value, and relevant transaction costs shall be included into current profits and losses. The financial liabilities shall be subsequently measured at fair value, and changes in fair value shall be included into current profits and losses.

When terminating the recognition, the differences between the book value and the consideration paid shall be recorded into current profits and losses.

f. Financial liabilities measured at amortized cost

Financial liabilities measured at amortized cost include short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings, bonds payable and long- term payables, which shall be initially measured at fair value and relevant transaction costs shall be included into the initial recognition amount.

When terminating the recognition, the differences between the book value and the consideration paid of the financial liabilities shall be recorded into current profits and losses.

(3) Recognition basis and measurement method of transfer of financial assets

When transferring financial assets, if nearly all of the risks and rewards related to the ownership of the financial assets have been transferred to the transferee, the financial assets shall be derecognized; if nearly all of the risks and rewards related to the ownership of the financial assets have been retained, the financial asset shall not be derecognized.

The principle of substance over form is adopted in judging whether the transfer of financial assets meets the above-mentioned conditions for derecognition of financial assets.

a. The Company divides the transfer of financial assets into overall transfer and partial transfer of financial assets.

If the overall transfer of financial assets meets the conditions for derecognition, the difference of the following two amounts shall be included into current profits and losses:

(a) Book value of transferred financial assets at the date of derecognition;

(b) The sum of the consideration received as a result of the transfer and the accumulated amount of the change in fair value directly included in other comprehensive income (financial assets involved in the transfer are financial assets debt investment measured at fair value and included into other comprehensive income.

b. If the partial transfer of financial assets meets the conditions for derecognition, the overall book value of the transferred financial assets shall be apportioned between the derecognized part and the unterminated part according to their respective relative fair values, and the difference between the following two amounts shall be recorded into the profits and losses of the current period:

(a) Book value of the derecognized part at the date of derecognition;

(b) The sum of the consideration paid of the derecognized part and the amount of the corresponding derecognized part in the accumulative amount of the change in fair value directly included in other comprehensive income (financial assets involved in the transfer are financial assets debt investment measured at fair value with changes included into other comprehensive income).

(4) Conditions for derecognition of financial liabilities

If the current obligations of financial liabilities have been discharged in whole or in part, the recognition of the financial liabilities, or part thereof shall be terminated; if the Company signs an agreement with the creditors to replace the existing financial liabilities by assuming new financial liabilities,, and the contract terms of the new financial liabilities are substantially different from the existing financial liabilities, the Company shall terminate the recognition of the existing financial liabilities and simultaneously recognize the new financial liabilities.

If all or part of the contract terms of the existing financial liabilities are substantially modified, the recognition of the existing financial liabilities or part thereof shall be terminated, and the financial liabilities after modification shall be recognized as new financial liabilities.

When financial liabilities are fully or partially derecognized, the differences between the book value of the derecognized financial liabilities and the payment consideration (including non- cash assets transferred out or new financial liabilities assumed) shall be recorded into the profits and losses of the current period.

If the Company repurchases part of the financial liability, it shall allocate the overall book value of the financial liability on the repurchase date according to the relative fair value of the continued recognition part and the derecognized part. The difference between the book value allocated to the derecognized portion and the consideration paid (including non-cash assets transferred out or new financial liabilities assumed) shall be recorded into current profits and losses.

(5) Methods for determining the fair value of financial assets and financial liabilities

For financial instruments with active markets, the fair value is determined based on the quotation in the active market. For financial instruments with no active market, valuation techniques are used to determine the fair value. In valuation, the Company uses valuation techniques applicable in the current situation and supported by sufficiently available data and other information to select input values that are consistent with the characteristics of the assets or liabilities considered by market participants in the transaction of relevant assets or liabilities, and the relevant observable input values are preferred. Use non-observable input values only when the relevant observable input values are unavailable or not practicable to obtain.

(6) Test methods and accounting treatment methods for impairment of financial assets

Based on expected credit losses, the Company conducts impairment treatment and recognizes loss provisions for financial assets measured at amortized cost, debt instrument investments measured at fair value and their changes included in other comprehensive income, and contract assets.

For accounts receivable and contract assets that do not contain significant financing components, the Company shall use simplified measurement methods to measure loss provisions in accordance with the amount of expected credit losses equivalent to the entire duration.

For financial assets other than the above-mentioned simplified measurement methods, the Company assesses on each balance sheet date whether their credit risk has increased significantly since the initial recognition. If the credit risk has increased significantly since the initial recognition, it is in the first stage. The Company measures loss provisions at an amount equivalent to expected credit losses in the next 12 months, and calculates interest income based on the book balance and effective interest rate; if the credit risk has increased significantly since the initial recognition but no credit impairment has occurred, it is in the second stage, the Company measures loss provisions in accordance with the amount of expected credit losses equivalent to the entire duration, and calculates interest income based on the book balance and effective interest rate; if impairment occurs after initial recognition, it is in the third stage, the Company measures loss provisions in accordance with the amount of expected credit losses equivalent to the entire duration, and

calculates interest income based on the book balance and effective interest rate. For financial instruments with only low credit risk at the balance sheet date, the Company assumes that the credit risk has not increased significantly since the initial recognition.

The Company evaluates the expected credit losses of financial instruments based on individual items and portfolios. The Company takes into account the credit risk characteristics of different customers and evaluates the expected credit risk of financial instruments on a portfolio basis.

If there is objective evidence that a certain financial asset has undergone credit impairment, the Company shall make provisions for the impairment of the financial asset on a single basis.

6. Fixed assets

(1) Fixed assets refer to tangible assets held for the purpose of production of commodities, rendering of services, rental or business management, with service life of more than one accounting year. Fixed assets are recognized only when the economic benefits associated with them are likely to flow into the Company and their costs can be reliably measured.

(2) Fixed assets shall be initially measured at purchasing cost. The cost of acquisition of fixed assets shall include purchase price and related taxes, as well as other expenses attributed to such assets incurred prior to intended usable condition of fixed assets (such as transportation expenses, handling expenses, installation expenses, professional service expenses, etc.). For follow-up expenses related with fixed assets, where they meet the recognition criteria of fixed assets, they shall be included in cost of fixed assets; where they fail to meet the recognition criteria of fixed assets, they shall be included in current profits and losses.

(3) Depreciation of fixed assets shall be calculated by Straight-line Method. Depreciation rate shall be determined according to cost, estimated useful life and estimated net residual value of fixed assets. For fixed assets which are provisioned for impairment, depreciation rate shall be re-calculated and determined according to remaining useful life and estimated residual value of such fixed assets. Fixed assets, which are fully provisioned for impairment, shall not be provisioned for depreciation. The current applied depreciation rates are specified as follows:

Category of assets	Estimated useful life	Estimated net residual value rate	Annual depreciation rate
Network equipment	3 years	0%	33.33%
Office equipment	3/5 yeas	0%	33.33%/20.00%
Furniture equipment	3 years	0%	33.33%

(4) Fixed assets, which fail to generate revenue for the Company or are temporarily unused (except seasonal out of service), shall be deemed as idle fixed assets. Estimated useful life and depreciation rate shall be re-evaluated for idle fixed assets, and depreciation of idle fixed assets shall be directly included in current profits and losses.

(5) Fixed assets, meeting the conditions of being held for sale, shall be recorded by the lower of carrying amount and its fair value minus disposing expenses. Should the fair value minus disposing expenses is lower than it's carrying amount, the difference shall be recognized as impairment loss of the assets.

(6) Where fixed assets are disposed or are expected to fail to generate economic benefits by means of usage or disposal, such fixed assets shall be derecognized. When fixed assets are sold, transferred, disposed of or damaged, gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the assets, adjusted by related taxes and expenses, and are included in profit and loss.

7. Intangible assets

Intangible assets refer to identifiable non-monetary assets owned or controlled by enterprises, which have no tangible form.

(1) Recognition for intangible assets:

Generally, intangible assets shall be posted at actual costs at acquisition;

The cost of purchase of intangible assets shall include purchase price, related taxes and other expenses directly attributable to making such asset achieve intended purpose. Where purchase price of intangible assets exceeds the normal credit conditions for late payment, which has financing nature in essence, the cost of intangible assets shall be determined on the basis of present value of purchase price.

For the intangible assets that are obtained from debt restructuring and used for offsetting debt, the recorded value shall be determined on the basis of fair value of the intangible assets. The difference between the book value of debt restructuring and the fair value of the intangible assets that are used for offsetting debt shall be included into current profits and losses. On the premise that non-monetary assets exchange possesses commercial essence and the fair value of assets received or surrendered can be measured reliably, the recorded value of the intangible assets received from non-monetary assets exchange shall be determined on the basis of fair value of the assets surrendered, unless there is clear evidence indicating that the fair value of assets received is more reliable. If the non- monetary assets exchange does not satisfy above premise, the book value of the assets surrendered and relevant taxes payable shall be booked as the cost of assets received without any profit or loss being recognized.

The cost of intangible assets contributed by investors shall be determined according to the investment contract or agreement, except that the value in the contract or agreement is obviously unfair.

The intangible assets obtained from merge under the same control shall be recognized by the book value of the combined party; The intangible assets obtained from merge not under the same control shall be recognized by its fair value.

(2) The estimated service life of intangible assets with definite useful life.

Category	Useful life
Software	2/3 years

At the end of each year, the useful life and amortization of intangible assets with definite useful life are reviewed, any differences with the original estimates should be adjusted accordingly.

(3) If the beneficial period cannot be reasonably determined for an intangible asset, it shall be classified as having indefinite useful life and shall not be amortized. Impairment test shall be performed at each yearend.

For research and development projects, the accounting policy of research stage and development stage shall be distinguished. The expenditure occurring in research stage shall be expensed and included into current profits and losses. If the definition and related recognition conditions of intangible assets can be satisfied in development stage, development expenditure occurred shall be capitalized, otherwise it shall be included into current profits and losses.

8. Impairment of long-term assets

Long-term equity investments, investment properties measured by cost model, fixed assets, construction in progress, intangible assets with limited service life, right-of-use assets and other long-term assets that show signs of impairment on the balance sheet date shall be tested for impairment. Impairment provision of assets shall be made according to the difference where the recoverable amount is lower than the book value and be included in profits and losses. The recoverable amount shall be determined according to net amount of fair value minus disposal expenses and present value of expected future cash flows of the assets, whichever is the higher. The Company shall estimate the recoverable amount by individual asset. If recoverable amount of individual asset is difficult to estimate, recoverable amount of asset group (including such asset) shall be used. Asset group is the minimum portfolio of assets that can generate cash inflow independently.

Goodwill, intangible assets with indefinite useful life, and intangible assets that have not yet reached the usable state shall be tested for impairment at least at the end of each year.

The Company conducts goodwill impairment tests, and apportion the book value of goodwill generated from business combination to relevant asset groups in a reasonable way from the purchase date; if it is difficult to allocate to the relevant asset group, it shall be allocated to the relevant asset group portfolio. When the Company allocates the book value of goodwill, it allocates it according to the relative benefits that the relevant asset group or asset group portfolio can obtain from the synergy effect of the business combination, and conducts the goodwill impairment test on this basis.

When conducting impairment tests on relevant asset groups or asset group portfolio containing goodwill, if there are signs of impairment in the asset groups or asset group portfolio related to goodwill, the Company shall firstly perform impairment test for asset groups or asset group combinations without goodwill, provide for impairment loss if any, and then perform impairment test for asset groups or asset group combinations with goodwill to compare their book values (including the book value of the allocated goodwill) and recoverable amounts. Where recoverable amounts of these asset groups or asset group combinations are lower than book values, loss from impairment shall be recognized according to the difference. Once the above asset impairment loss is recognized, it will not be reversed in the subsequent accounting periods.

9. Long-term deferred expenses

Long-term deferred expenses are expenses paid by the Company, for which the amortization period is more than one year. The long-term deferred expenses should be amortized evenly over the respective beneficial periods. Where the long-term deferred expenses can't benefit the following accounting period, it shall be expensed in the current period.

Long-term deferred expenses shall be recorded according to actual cost occurred in its formation.

10. Employee compensation

(1) Accounting treatment of short-term remuneration

During the accounting period when employees provide services to the Company, the Company recognizes the actual short-term compensation as a liability and records it into the current profit and loss or the cost of related assets.

The social insurance premiums and housing provident fund paid by the Company for employees, as well as the labor union funds and employee education funds drawn in accordance with the regulations, shall be calculated and determined according to the specified accrual basis and accrual ratio during the accounting period when the employees provide services to the Company.

If employee welfare is non-monetary and can be measured reliably, it shall be measured at fair value.

(2) Accounting treatment of post-employment benefits

a. Defined contribution plans

The Company pays basic pension insurance and unemployment insurance for its employees in accordance with relevant regulations of the local government. During the accounting period when the employees provide services to the Company, the amount payable shall be calculated according to the local payment base and proportion, recognized as a liability, and recorded into the current profit and loss or the cost of relevant assets.

b. Defined benefit plans

According to the formula determined by the expected accumulative welfare unit method, the Company shall attribute the welfare obligation generated by defined benefit plans to the service period provided by the employee and record it into the current profit and loss or the cost of related assets.

The deficit or surplus resulting from the present value of defined benefit plan obligations minus the fair value of defined benefit plan assets is recognized as the net liability or net assets of a defined benefit plan. If there is a surplus in defined benefit plan, the Company shall use the lower of the surplus of the defined benefit plan and upper limit of assets to measure the net assets of the defined benefit plan.

All defined benefit plan obligations, including obligations expected to be paid within twelve months after the end of the annual reporting period for employee services, are discounted based on the market rate of return on treasury or high-quality corporate bonds in the active market that match the maturity and currency of defined benefit plan obligations on the balance sheet date.

The service cost incurred by defined benefit plan and the net interest on the net liabilities or net assets of the defined benefit plan shall be recorded into the current profit and loss or the cost of related assets; Changes in net liabilities or net assets of the defined benefit plan resulting from remeasurement shall be recorded into other comprehensive income, and shall not be transferred back to profit and loss in subsequent accounting periods. Upon termination of the original defined benefit plan, the part originally recorded in other comprehensive income will be carried forward to undistributed profit within the scope of equity.

When the defined benefit plan is settled, the difference between the present value of the defined benefit plan obligation and the settlement price determined on the settlement date shall be recognized as the settlement gain or loss.

c. Accounting treatment of dismissal benefits

When the Company cannot unilaterally withdraw the dismissal benefits provided due to the termination of the labor relationship plan or the reduction proposal, or confirms the costs or expenses related to the restructuring involving the payment of the dismissal benefits (whichever is earlier), it recognizes the employee compensation liabilities arising from the dismissal benefits and records them into the current profit and loss.

11. Revenue

(1) General principles of revenue recognition

The Company has fulfilled the performance obligations in the contract, that is, when the customer obtains control of the relevant commodities, the revenue shall be recognized at the transaction price apportioned to the performance obligations. Performance obligation refers to the Company's commitment to transfer clearly distinguishable goods or services to the customer in the contract. To obtain control of the relevant commodity means to dominate the use of the commodity and gain almost all economic benefits from it.

The Company judges whether the relevant performance obligation is "performance obligation performed within a certain period of time" or "performance obligation performed at a certain point" in accordance with the relevant provisions of revenue standards, and the following principles are used for revenue recognition respectively.

a. If any of the following conditions are met, the performance obligation shall be performed within a certain period of time; otherwise, the performance obligation shall be performed at a certain point:

   (a) The customer obtains and consumes the economic benefits brought by the Company's performance at the same time.

   (b) The customer can control the goods under construction in the Company's performance process.

   (c) The goods produced by the Company during the performance of the contract are of irreplaceable use and the Company is entitled to collect payment for the accumulated performance to date during the entire contract period.

   For performance obligations performed within a certain period of time, the Company recognizes revenue according to the performance progress during that period, except where the performance progress cannot be reasonably determined. The Company takes into account the nature of the goods or services and adopts the output method or investment method to determine the appropriate performance schedule. If the performance progress cannot be reasonably determined and the incurred costs are expected to be compensated, the Company shall recognize the revenue according to the amount of incurred costs until the performance progress can be reasonably determined.

b. For performance obligations performed at a certain point, the Company recognizes revenue at the time when the customer gains control of the relevant goods or services. When judging whether the customer has obtained control of the goods or services, the Company considers the following signs:

   (a) The Company has a current payment right with respect to the goods or services, i.e., the customer has a current payment obligation with respect to the goods or services.

(b) The Company has transferred the legal ownership of the goods to the customer, that is, the customer has the legal ownership of the goods.

(c) The Company has transferred the goods to the customer, that is, the customer has physical possession of the goods.

(d) The Company has transferred major risks and rewards involved with ownership of the goods to the customer, that is, the customer has acquired major risks and rewards of the ownership of the goods.

(e) The customer has accepted the goods or services, etc.

(2) Measurement of revenue

The transaction price refers to the amount of consideration that the Company expects to be entitled to collect due to the transfer of goods or services to the customer, excluding payments collected on behalf of third parties and payments expected to be refunded to the customer.

The Company determines the transaction price in accordance with the terms of the contract and in combination with its past customary practices. In determining the transaction price, the Company considers the influence of variable consideration, significant financing components existing in the contract, non-cash consideration, consideration payable to customers and other factors.

a. Variable consideration

The Company determines the best estimate of the variable consideration based on the expected value or the most likely amount, provided that the transaction price including the variable consideration shall not exceed the amount by which the accumulated recognized revenue is highly probable not to be materially reversed at the time the relevant uncertainty is eliminated. The Company shall consider both the probability and the proportion of revenue reversal when evaluating whether it is highly probable that accumulated recognized revenue will not be materially reversed.

b. Significant financing components

If there is a significant financing component in the contract, the Company shall determine the transaction price based on the amount payable in cash upon the assumption that the customer obtains control of the goods or services, and amortize the difference between the transaction price and the contract consideration using the effective interest rate method during the contract period.

c. Non-cash consideration

Where the customer pays the non-cash consideration, the Company shall determine the transaction price based on the fair value of the non-cash consideration. Where the fair value of the non-cash consideration cannot be reasonably estimated, the Company shall determine the transaction price indirectly by referring to the separate selling price of the goods it promises to transfer to the customer.

d. Consideration payable to customers

In the case of the consideration payable to the customer, the transaction price shall be offset by consideration payable, and the current revenue shall be offset at the later point when the relevant revenue is recognized or the customer consideration is paid (or promised to be paid), except where the consideration payable to the customer is for the purpose of obtaining other clearly distinguishable commodities from the customer.

Where the Company pays consideration to customers is for obtaining other clearly distinguishable commodities from customers, it shall confirm the purchased commodities in a manner consistent with its other purchases. If the consideration payable to customers exceed the fair value of the clearly distinguishable commodities obtained from the customer, the exceeding amount shall be offset against the transaction price. Where the fair value of clearly distinguishable commodities obtained from customers cannot be reasonably estimated, the Company shall deduct the transaction price in full from the consideration payable to customers.

(3) Specific principles of revenue recognition:

a. Commodity Sales Revenue

When the main risks and rewards of commodity ownership is transferred to the buyer without retaining the continuing management rights usually associated with the ownership and without effectively controlling

of the sold commodity, if the amount of revenue can be reliably measured, and the relevant economic benefits are likely flow into enterprise and the relevant costs incurred or will be incurred can be reliably measured, the sales revenue of commodities shall be confirmed.

b. Income from labor services

In the case the results of the labor service transaction can be reliably estimated, the labor income provided is confirmed on the balance sheet date according to the percentage of completion method. The completion progress of the labor transaction is determined by the ratio of the completed work or the proportion of the labor service provided to the total labor service, or by the ratio of labor costs incurred to the estimated total cost. Reliable estimates of results of the labor transactions provided mean that it can be simultaneously met a.)The amount of income can be measured reliably; b.) Relevant economic benefits are likely to flow into the enterprise; c.) The degree of completion of the transaction can be determined reliably, d.) The costs that have occurred and will occur in the transaction can be measured reliably.

c. Revenue from charge for use

For the revenue from usage fees receivable for allowing others to use the intangible assets of the enterprise, etc., the realization of operating revenue shall be calculated and recognized in accordance with the charging time and method stipulated in the relevant contracts and agreements.

12. Deferred income tax assets/liabilities

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which the deductible temporary difference can be utilized. For deductible losses and tax credits that can be carried forward in subsequent years, a deferred tax asset is recognized for all deductible losses and tax credits to the extent that it is probable that future taxable income will be available against which the deductible losses and tax credits can be utilized.

For taxable temporary differences, except for special circumstances, deferred income tax liabilities shall be recognized.

Special circumstances in which deferred tax assets or deferred tax liabilities shall not be recognized include: initial recognition of goodwill; any other transaction or event, which does not affect either accounting profit or taxable income (or deductible loss) when occurring except for a business combination.

When it has the legal right to netting and intends to netting or to acquire assets and pay off liabilities simultaneously, the current income tax assets and current income tax liabilities shall be presented at the net amount after offsetting.

When it has the legal right to settle current income tax assets and current income tax liabilities on a net basis, and the deferred tax assets and deferred tax liabilities are related to the income tax levied by the same tax administration department on the same taxpayer or are related to different taxpayers, but in the period during which important deferred tax assets and liabilities are reversed in the future, when the taxpayer involved intends to settle the current income tax assets and liabilities on a net basis or to acquire assets and pay off liabilities simultaneously, the deferred tax assets and deferred tax liabilities shall be presented at the net amount after offsetting.

13. Lease

Lease refers to an agreement under which the lessor conveys to the lessee in return for rent the right to use an asset for an agreed period of time.

On the beginning date of the agreement, the Company evaluates whether the agreement is a lease or includes a lease. An agreement is a lease or includes a lease. If a party in the agreement cedes the right to control the use of one or more identified assets within a certain period in exchange for consideration, the agreement is a lease or includes a lease.

To determine whether the agreement cedes the right to control the use of the identified assets within a certain period, the Company conducts the following evaluation:

(a) Whether the agreement involves the use of identified assets. Identified assets could explicitly specified by the agreement or implicitly specified when the asset is available to customers, and the asset is physically distinguishable, or if a certain part of the capacity or other parts of the asset is physically indistinguishable but

substantially represents the full capacity of the asset, so that customers can obtain almost all the economic benefits generated by the use of the asset. If the supplier of the asset has a substantial right to replace the asset during the entire period of use, the asset is not an identified asset;

(b) Whether lessee is entitled to obtain almost all economic benefits arising from the use of the identified asset during the period of use;

(c) Whether the lessee is entitled to dominate the use of the identified asset during the use period.

If the agreement contains a number of separate leases at the same time, the lessee and the lessor will split the agreement and conduct accounting treatment for each separate lease. If the agreement contains both lease and non-lease parts, the lessee and lessor shall split the lease and non-lease parts. When splitting the lease and non-lease parts contained in the agreement, the lessee shall apportion the agreement consideration in proportion to the sum of the separate prices of the leased parts and the separate prices of the non-leased parts.

(1) The Company as the lessee

a. Right-of-use asset

On the beginning date of the lease term, the Company recognizes the right-of-use assets for leases except short-term leases and low-value asset leases, and the right-of-use assets are initially measured at cost. This cost includes:

(a) The initial measurement amount of the lease liability;

(b) The amount of lease payment paid on or before the lease commencement date, if there is a lease incentive, the relevant amount of the lease incentive already enjoyed shall be deducted;

(c) Initial direct costs incurred by the Company;

(d) The costs expected to be incurred by the Company to dismantle and remove the leased assets, restore the site where the leased assets are located, or restore the leased assets to the condition agreed in the lease terms, excluding those incurred for the production of inventory.

After the beginning date of the lease term, the book value of the right-of-use asset shall be adjusted accordingly when the lease liability is re-measured.

The Company uses the straight-line method to depreciate the right-of-use assets. Where the ownership of the leased asset can be reasonably determined at the end of the lease term, the Company shall accrue depreciation during the remaining service life of the leased asset. Otherwise, the leased asset shall be depreciated during the shorter period of the lease term and the remaining service life of the leased asset. The right-of-use asset shall be determined in accordance with the accounting policy described in “IV.8. Long-term asset impairment” in this note to determine whether the right-of-use asset is impaired, and the identified impairment loss shall be accounted for.

b. Lease liability

On the beginning date of the lease term, the Company recognizes lease liabilities except short-term leases and low-value asset leases. Lease liabilities are initially measured according to the present value of the outstanding lease payments. Lease payments also include:

(a) Fixed payment amount (including substantial fixed payment amount), if there is lease incentive, the amount related to lease incentive will be deducted;

(b) Variable rental payments based on indices or ratios;

(c) The amount expected to be paid based on the guaranteed residual value provided by the Company;

(d) The exercise price of the purchase option, provided that the Company will exercise the option;

(e) The amount payable for exercising the termination option provided that the lease term reflects that the Company will exercise the termination option.

The Company uses the interest rate implicit in the lease as the discount rate. However, if the interest rate implicit in the lease cannot be reasonably determined, the Company's incremental borrowing interest rate shall be used as the discount rate.

The Company calculates the interest expense of the lease liability during each period of the lease term in accordance with a fixed periodic interest rate, and includes it into current profits and losses or the costs of related assets.

Variable lease payments subject to indices or ratios are initially measured based on the indices or ratios of the beginning date of the lease term. Variable lease payments that are not included in the measurement of lease liabilities are included into current profits and losses in which they actually arise. In accordance with the "Accounting Standards for Business Enterprises No. 1-Inventory" and other standards that shall be recorded into the costs of related assets, follow their provisions.

After the beginning date of the lease term, if any of the following circumstances occur, the Company shall re-measure the lease liability according to the present value of the changed lease payment:

(a) When the substantial fixed payment changes, the expected payable amount of the guaranteed residual value changes;

(b) Changes in the index or ratio used to determine lease payments;

(c) The Company's evaluation of the purchase option, renewal option or termination option changes, or the actual exercise of the renewal option or termination option is inconsistent with the original evaluation.

When recalculating the leased liability, the Company shall adjust the book value of the right-of-use asset accordingly. If the book value of the right-of-use asset has been reduced to zero, but the lease liability still needs to be further reduced, the Company shall record the remaining amount into the current profits and losses.

c. Short-term lease and low-value asset lease

Short-term lease refers to a lease for a period of no more than 12 months and does not include a purchase option on the beginning date of the lease. Low-value asset lease refers to the lease whose value does not exceed 40,000 yuan when the single leased asset is a new asset. Where the Company subleases or intends to sublease the leased assets, the original lease is not a low-value asset lease.

The Company chooses not to recognize right-of-use assets and lease liabilities for short-term lease and low-value asset lease, and records the relevant lease payments into current profits and losses or related asset costs during each period of the lease term on a straight- line basis.

d. Lease change

If the lease changes and the following conditions are met, the Company shall treat the lease change as a separate lease for accounting treatment:

(a) The lease change expands the scope of the lease by adding one or more rights to use the leased asset;

(b) The increased consideration is equivalent to the amount of the separate price for the expanded part of the lease adjusted according to the contract conditions.

If the lease change is not accounted for as a separate lease, on the effective date of the lease change, the Company shall re-apportion the consideration of the changed contract, re- determine the lease term, and re-measure the lease liability based on the present value of the lease payment after the change and the revised discount rate.

If the lease change results in the narrowing of the lease scope or shortening of the lease term, the Company shall correspondingly reduce the book value of the right-of-use asset, and record the relevant gains or losses from the partial or complete termination of the lease into current profits and losses. If other lease changes result in the re-measurement of lease liabilities, the Company shall adjust the book value of the right-of-use asset accordingly.

(2) The Company as the lessor

On the lease beginning date, the Company shall classify a lease as a financing lease or an operating lease. The financing lease shall refer to a lease that has transferred in substance all the risks and rewards related to the ownership of an asset. The ownership of it may or may not eventually be transferred. Operating lease refers to a lease other than finance lease. When the Company acts as a sublease lessor, it classifies subleases based on the right-of-use assets generated from the original lease.

a. The lease receipts from operating leases shall be recognized as rents based on the straight-line method over each period of the lease term. The Company capitalizes the initial direct costs incurred in relation to operating leases, amortizes them on the same basis as the confirmation of rents during the lease term, and records them in the profits and losses of the current period. Variable lease payments that are not included in the lease receipts shall be recorded in the current profits and losses when they actually arise.

b. As a sublease lessor, the Company shall account for the original lease contract and the sublease contract separately. The Company shall classify subleases based on the right-of- use assets arising from the original lease, rather than the target assets of the original lease.

c. If an operating lease is changed, the Company shall treat it as a new lease for accounting treatment from the effective date of the change, and the amount of lease receipts received in advance or receivable related to the lease before the change shall be regarded as the amount of new lease receipts. If the financing lease changes and simultaneously meets the following conditions, the Company shall treat the change as a separate lease for accounting treatment:

   (a) The lease change expands the scope of the lease by adding one or more rights to use the leased asset;

   (b) The increased consideration is equivalent to the amount of the separate price for the expanded part of the lease adjusted according to the contract conditions.

   If the change of finance lease is not accounted for as a separate lease, the Company shall deal with the changed lease under the following circumstances:

   (a) If the change takes effect on the lease beginning date, the lease shall be classified as an operating lease. The Company shall treat it as a new lease from the effective date of the lease change, and take the net lease investment before the effective date of the lease change as the carrying amount of the leased asset.

   (b) If the change takes effect on the lease beginning date, the lease shall be classified as a financing lease, and the Company shall conduct accounting treatment in accordance with the provisions of the Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments concerning the modification or re-negotiation of the contract.

(2) Sale and leaseback

a. The Company as the seller and lessor

In accordance with the “Accounting Standards for Business Enterprises No. 14-Revenue”, the Company evaluates and determines whether the asset transfer in a sale and leaseback transaction is a sale or not. If the transfer of assets is not a sale, the Company shall continue to recognize the transferred assets and at the same time recognize a financial liability equal to the transfer income, and conduct accounting treatment for the financial liability in accordance with the Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments. If the transfer of assets is a sale, the Company shall measure the right-of-use asset formed by the sale and leaseback transaction based on the portion of the original asset’s book value that is related to the right acquired by the leaseback, and only recognize the relevant gains or losses for the rights transferred to the lessor.

b. The Company as the buyer and lessee

If the transfer of assets in a sale and leaseback transaction is not a sale, the Company shall not recognize the transferred assets, but recognize a financial asset equal to the transfer income, and conduct accounting treatment on the financial asset in accordance with the Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments. If the transfer of assets is for sale, the Company shall conduct accounting treatment for asset purchases and asset leases in accordance with other applicable accounting standards for enterprises.

14. Profit Distribution

The after-tax profits are distributed according to following orders after making up annual losses of previous years:

Item	Rate
Legal reserves allowance	10%
Optional surplus reserves allowance	Decided by the shareholders' meeting
Ordinary stock dividends payment	Decided by the shareholders' meeting

V. PRINCIPAL ACCOUNTING ESTIMATION CHANGES

1. Principal accounting policy changes

   None.

2. Principal accounting estimation changes

   None.

3. Principal error correction

   None.

VI. TAXATION

Taxes	Tax rate(%)	Tax base
General VAT taxpayer	6	Taxable sales
Enterprise income taxes	15	Taxable income
City maintenance tax	7	Payable turnover tax
Education surtax	3	Payable turnover tax
Local education surtax	2	Payable turnover tax

According to Cai Shui [2017] No. 79 "Notice on Extending the Enterprise Income Tax Policy for Technologically Advanced Services to the Whole Country", the enterprise income tax will be levied at a reduced rate of 15% for the identified technologically advanced service enterprises. Mahindra (Beijing) Information Technology Services Co., Ltd. will enjoy technologically advanced preferential tax policies in 2024, and corporate income tax will be levied at a reduced rate of 15%.

The Company implements The Ministry of Finance and the State Administration of Taxation Announcement No. 6 of 2023 standards for micro and small companies this year, the portion of annual taxable income not exceeding 1 million yuan shall be included in the taxable income at a reduced rate of 25%, and the enterprise income tax shall be paid at a 20% tax rate. The period is from January 1, 2023 to December 31, 2024.

In consistent with The Ministry of Finance and the State Administration of Taxation Announcement No. 13 of 2022, for micro and small companies, the portion of annual taxable income exceeding 1 million yuan but not exceeding 3 million yuan shall be included in the taxable income at a reduced rate of 25% and the enterprise income tax shall be paid at a 20% tax rate. The period is from January 1, 2022 to December 31, 2024.

VII. NOTES TO THE MAIN ITEMS OF THE FINANCIAL STATEMENTS

(All amounts in RMB Yuan unless otherwise stated)

1. Cash and cash equivalents

Item	Ending balance	Beginning balance
Cash in bank	**4,580,196.94**	3,976,905.77
Total	**4,580,196.94**	3,976,905.77

2. Accounts receivable

Item	Ending balance	Beginning balance
Accounts receivable	12,672,733.65	11,428,795.54
Bad debt allowance for accounts receivable		
Accounts receivable-net	12,672,733.65	11,428,795.54

Aging analysis are as follows

Aging	Ending balance		Beginning balance	
	Book value	Bad debt allowance	Book value	Bad debt allowance
within 1 year	10,732,403.95		11,002,407.19	
1-2 years	1,940,329.70		426,388.35	
Total	**12,672,733.65**		**11,428,795.54**	

Debtors with large amounts

Name of debtors	Book value
Customer 1	8,327,861.06
Customer 2	4,344,872.59
Total	**12,672,733.65**

3. Advance to suppliers

Advance to suppliers listed by aging

Aging	Ending balance			Beginning balance		
	Book value		Bad debt allowance	Book value		Bad debt allowance
	Amount	Rate (%)		Amount	Rate (%)	
within 1 year	**581,321.29**	**100.00**		710,993.07	100.00	
Total	**581,321.29**	**100.00**		**710,993.07**	**100.00**	

4. Other receivables

Item	Ending balance	Beginning balance
Other receivables	**479,701.74**	497,695.38
Bad debt allowance for other receivables		
Net book value of other receivables	**479,701.74**	497,695.38

Name of debtors	Book value
Customer 1	479,701.74
Total	**479,701.74**

5. Other current assets

Item	Ending balance	Beginning balance
Tax reserve	**560.00**	2,551.38
Input tax to be deducted	**380,371.98**	352,835.11
Prepaid taxes		8,769.97
Total	**380,931.98**	364,156.46

6. Fixed assets

Item	Beginning balance	Increase	Decrease	Ending balance
(1). Total original cost	2,379,182.81	419,708.05		**2,798,890.86**
Network equipment	36,688.80	17,431.04		**54,119.84**
Office equipment	2,329,338.17	402,277.01		**2,731,615.18**
Furniture equipment	13,155.84			**13,155.84**
(2). Total accumulated depreciation	2,027,404.81	263,092.18		**2,290,496.99**
Network equipment	17,325.27	14,650.58		**31,975.85**
Office equipment	1,996,923.70	248,441.60		**2,245,365.30**
Furniture equipment	13,155.84			**13,155.84**
(3). Total net book value	351,778.00			**508,393.87**
Network equipment	19,363.53			**22,143.99**
Office equipment	332,414.47			**486,249.88**
Furniture equipment				

7. Right-of-use assets

Item	Beginning balance	Increase	Decrease	Ending balance
(1) Total original cost	2,807,648.84			**2,807,648.84**
Properties and buildings	2,807,648.84			**2,807,648.84**
(2) Total accumulated depreciation	1,821,177.62	910,588.82		**2,731,766.44**
Properties and buildings	1,821,177.62	910,588.82		**2,731,766.44**
(3) Total book value	986,471.22			**75,882.40**
Properties and buildings	986,471.22			**75,882.40**
Total net book	986,471.22			**75,882.40**
Properties and buildings	986,471.22			**75,882.40**

8. Intangible assets

Item	Beginning balance	Increase	Decrease	Ending balance
(1) Total original cost	186,591.16	47,300.88		**233,892.04**
Software	186,591.16	47,300.88		**233,892.04**
(2) Total accumulated amortization	98,478.66	74,022.28		**172,500.94**
Software	98,478.66	74,022.28		**172,500.94**
(3) Total net book value	88,112.50			**61,391.10**
Software	88,112.50			**61,391.10**

9. Deferred income tax assets/liabilities

Item	Deferred tax assets or liabilities after-offset as at the end of reporting period	Deductible or taxable temporary differences	Deferred tax assets or liabilities after-offset as at the beginning of reporting period	Deductible or taxable temporary differences
(1) Deferred income tax assets	7,955.93	159,118.60	49,906.26	332,708.40

10. Accounts payable

Item	Ending balance	Beginning balance
Accounts payable	**494,759.41**	549,032.61
Total	**494,759.41**	549,032.61

Creditors with large amounts

Name of creditors	Ending balance
TECH MAHINDRA LIMITED	**494,759.41**
Total	**494,759.41**

11. Employee benefits payable

Item	Ending balance	Beginning balance
Wages payable	**620,205.96**	610,742.22
Total	**620,205.96**	610,742.22

12. Taxes and dues payable

Item	Ending balance	Beginning balance
Value added tax		4,585.19
Corporate income tax	**18,817.77**	15,026.26
City maintenance tax		160.48
Individual income tax	**96,426.60**	133,965.39
Education surtax(inculding Local Education surtax)	**0.02**	114.64
Stamp duty	**1,756.71**	1,119.53
Total	**117,001.10**	154,971.49

13. Other payables

Item	Ending balance	Beginning balance
Other payables	**250,146.58**	374,832.43
Total	**250,146.58**	374,832.43

14. Non-current liabilities due within one year

Item	Ending balance	Beginning balance
Lease liabilities due within 1 year	**46,775.81**	
Total	**46,775.81**	

15. Lease liabilities

Item	Ending balance	Beginning balance
Lease payments	**46,775.81**	1,110,145.81
Less: unsettled financing expenses		18,648.87
Less: Lease liability due within one year	**46,775.81**	
Lease liability-net		1,091,496.94

16. Paid-in capital

Name of investors	Ending balance			Beginning balance		
	Currency	Original currency	Converted to RMB	Currency	Original currency	Converted to RMB
TECH MAHINDRA LIMITED	USD	**800,000.00**	**5,574,666.02**	USD	800,000.00	5,574,666.02
Total		**800,000.00**	**5,574,666.02**		800,000.00	5,574,666.02

Note: the paid-in capital has been verified by Beijing Zhongsheng Jiahua Certified Public Accountants Co., Ltd., with the Capital Verification Report [2012] No.012. The remining invested capital has not been verified.

17. Surplus reserves

Item	Beginning balance	Increase	Decrease	Ending balance
Statutory surplus reserves		1,224,495.40		**1,224,495.40**
Total		1,224,495.40		**1,224,495.40**

18. Undistributed profits

Item	Amount in current period	Amount in previous period
Ending balance of last year	**10,099,072.49**	5,069,949.30
Beginning balance of this year	**10,099,072.49**	5,069,949.30
Increase in current period	**2,145,881.53**	5,029,123.19
Including: Current period net profit attributable to owners	**2,145,881.53**	5,029,123.19
Decrease	**1,224,495.40**	
Including:Statutory surplus reserve	**1,224,495.40**	
Ending balance	**11,020,458.62**	10,099,072.49

19. Operating income

Item	Amount in current period	Amount in previous period
Software designing, developing and maintenance (Overseas)	**29,518,562.54**	37,230,539.79
Software designing, developing and maintenance (Domestic)	**624,874.99**	1,285,949.89
Total	**30,143,437.53**	38,516,489.68

20. Financial expenses

Item	Amount in current period	Amount in previous period
Interest expenses	**18,648.87**	
Incl: interest expenses on lease liabilities	**18,648.87**	65,743.75
Less: Interest income	**62,996.26**	11,251.95
Bank charges	**2,721.30**	7,487.35
Exchange gains or losses	**-59,639.15**	14,278.85
Total	**-101,265.24**	10,514.25

21. Other income

Item	Amount in current period	Amount in previous period
Additional VAT deduction	**-33,091.75**	6,207.40
Individual income tax fee refund	**17,754.18**	18,611.97
Others		0.10
Total	**-15,337.57**	24,819.47

22. Non-operating income

Item	Amount in current period	Amount in previous period
Gain from the impairment, damage, scrapping of non-current assets	**34.99**	
Total	**34.99**	

23. Income tax expenses

Item	Amount in current period	Amount in previous period
Current income tax	**105,055.88**	648,955.12
Deferred income tax expenses	**41,950.33**	74,428.86
Adjustment of income tax expenses in previous years	**62,873.60**	
Total	**209,879.81**	723,383.98

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. Related parties

Name of related party	Relationship with the Company
TECH MAHINDRA LIMITED	Investor
Tech Mahindra (Shanghai) Co., Ltd.	Controlled by the same party
Born Group Pte Limited	Controlled by the same party
Mahindra & Mahindra Ltd.	Investor's shareholder

2. Related transactions

(1) Purchase goods / accepting services table

Name of related party	Transaction description	Currency	Amount in current period (original currency)	Amount in current period (domestic currency)
Mahindra & Mahindra Ltd.	Trademark Licensing Fee	USD	**2,145.89**	**16,280.61**

(2) Sell goods /provide services table

Name of related party	Transaction description	Currency	Amount in current period (original currency)	Amount in current period (domestic currency)
TECH MAHINDRA LIMITED	Rendering services	CNY	**27,461,060.62**	**27,461,060.62**
Born Group Pte Limited	Rendering services	CNY	**3,526,132.66**	**3,526,132.66**
Born Group Pte Limited	Rendering services	USD	**-213,814.25**	**-1,468,630.74**
Tech Mahindra (Shanghai) Co., Ltd.	Rendering services	CNY	**624,874.99**	**624,874.99**

3. Accounts receivable and payable of related parties

Name of related party	Item	Currency	Ending balance (original currency)	Ending balance (domestic currency)
TECH MAHINDRA LIMITED	Accounts receivable - billed	CNY	**6,587,491.82**	**6,587,491.82**
TECH MAHINDRA LIMITED	Accounts receivable - unbilled	CNY	**1,740,369.24**	**1,740,369.24**
Born Group Pte Limited	Accounts receivable - billed	CNY	**2,206,866.33**	**2,206,866.33**
Born Group Pte Limited	Accounts receivable - billed	USD	**292,716.08**	**2,101,583.29**
TECH MAHINDRA LIMITED	Accounts payable	CNY	**494,759.41**	**494,759.41**

IX. SUBSEQUENT EVENTS AFTER BALANCE SHEET DATE

As of the issuing date of the Company's financial statements, there are no significant subsequent events after balance sheet date.

X. CONTINGENCIES

As of December 31, 2024, the Company has no contingencies to disclose.

XI. OTHER MATTERS

On February 21, 2025, the Board of Directors of the Company made a resolution to dismiss JAGDISH MITRA and appoint HARSH VENDRA SOIN as the manager and the legal representative. As of the audit report date, the industrial and commercial registration for the change of the legal representative has not yet been completed.

TECH MAHINDRA(SHANGHAI) CO., LTD.

Board of Directors
Mr. Amitava Ghosh
Mr. Ravi Kumar Yellajosula
Mr. Mukesh Sharma

Registered office
Suite 23102, 23104, 23204,
Pudong Software Park, No. 498 Guoshoujing Road,
Zhangjiang Hi-tech Park, Shanghai, P.R. China, 201203

Bankers
HSBC Bank Ltd.
China Merchant Bank

Auditors
Shanghai Linfang
Certified Public Accountants Co.,Ltd

DIRECTORS ' REPORT TO THE SHAREHOLDERS

Your directors present their report together with the audited accounts of your company for the year ended December 31, 2024.

Financial Results (Local Currency RMB)

For the years ended December 31	2024 RMB	2023 RMB
Income	108,204,511.78	117,957,665.64
Profit/(Loss) before tax	7,884,802.58	4,024,382.12
Profit/(Loss) after tax	7,884,802.58	4,024,382.12

Review of Operations:

During the year under review, your company recorded an income of RMB 108,204,511.78, a decrease of 8.27% over the previous year. Profit after tax was RMB 7,884,802.58 an increase of 95.93% over the previous year. The Company continues to invest in strengthening its marketing infrastructure in China.

Directors:

Mr. Amitava Ghosh

Mr. Ravi Kumar Yellajosula

Mr. Mukesh Sharma are directors of the Company

Outlook for the Current Year:

Business has been encouraging in China and the Company is optimistic of the future.

Acknowledgments:

Your Directors gratefully acknowledge the co-operation and assistance received from the employees, bankers, State and other Government Authorities and support from the shareholder

For Tech Mahindra (Shanghai) Co., Ltd.

Amitava Ghosh
Director

Mukesh Sharma
Director

Place: Shanghai, China
Date: 28th March 2025

INDEPENDENT AUDITOR'S REPORT

TO **TECH MAHINDRA (SHANGHAI) CO., LTD**.

I. Opinion

We have audited the financial statements of TECH MAHINDRA (SHANGHAI) CO., LTD. (the Company), which comprise the statement of financial position as at December 31, 2024, and the statement of comprehensive income, statement of cash flows and statement of changes in equity for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with China Accounting Standards for Business Enterprises and the China "Accounting System for Business Enterprises".

II. Basis for Opinion

We conducted our audit in accordance with China Auditing Standards. 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 China, 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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with China Accounting Standards for Business Enterprises and the China "Accounting System for Business Enterprises", and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

IV. 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 assurance, but is not a guarantee that an audit conducted in accordance with China Auditing Standards 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.

During the process of our audit in accordance with China Auditing Standards, we exercise professional judgment and maintain professional skepticism. We also:

(1) 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.

(2) 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.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(4) 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, we shall not express unqualified 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.

(5) 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 those Charged with Governance about planned scope and timing of the audit, as well as significant findings from the audit, including notable internal control weaknesses identified from the audit.

_____

CHEN JIE, China Certified Public Accountant

_____

LI WEN, China Certified Public Accountant

Shanghai Linfang Certified Public Accountants Co., Ltd.

Shanghai China
March 27, 2025

BALANCE SHEET AS AT 31 DECEMBER, 2024

(ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED)

Item	Notes	Ending balance	Beginning balance
Current assets:			
Cash and cash equivalents	VII.1	**40,728,948.23**	47,035,344.31
Short-term investments			
Notes receivable			
Dividends receivable			
Interest receivable		**10,208.22**	
Accounts receivable	VII.2	**55,358,148.66**	53,034,215.24
Other receivables	VII.3	**1,013,028.14**	1,313,713.92
Advance to suppliers	VII.4	**19,817.25**	55,433.55
Subsidies receivable			
Inventories			
Prepaid expenses		**182,028.16**	521,478.49
Long-term debt investments due within one year			
Other current assets			170.39
Total current assets		**97,312,178.66**	101,960,355.90
Non-current assets:			
Long-term equity investments			
Long-term debt investments			
Fixed assets-cost	VII.5	**8,730,529.16**	10,635,842.59
Accumulated depreciation	VII.5	**8,495,353.32**	10,046,623.00
Fixed assets-net value	VII.5	**235,175.84**	589,219.59
Provision for impairment loss on fixed assets			
Book value of fixed assets	VII.5	**235,175.84**	589,219.59
Construction materials			
Construction in progress			
Disposal of fixed assets			
Intangible assets			
Long-term deferred expenses	VII.6	**40,551.39**	154,098.92
Other long-term assets			
Deferred tax debit			
Total non-current assets		**275,727.23**	743,318.51
Total assets		**97,587,905.89**	102,703,674.41
Current liabilities:			
Short-term loans			
Notes payable			
Accounts payable	VII.7	**15,237,090.47**	18,249,938.06
Advances from customers		**20,173.83**	18,862.72

Item	Notes	Ending balance	Beginning balance
Wages payable	Vll.8		1,615,381.76
Welfare payable			
Dividends payable			
Taxes payable	Vll.9	**746,512.87**	870,449.77
Other fees payable		**37,381.75**	56,433.86
Other payables		**80,708.32**	133,004.76
Accrued expenses	Vll.10	**2,470,248.39**	10,648,615.80
Contingent liability			
Long-term liabilities due within one year			
Other current liabilities			
Total current liabilities		**18,592,115.63**	31,592,686.73
Non-current liabilities:			
Long-term loans			
Bonds payable			
Long-term accounts payable			
Special accounts payable			
Other long-term liabilities			
Deferred tax credit			
Total non-current liabilities			
Total liabilities		**18,592,115.63**	31,592,686.73
Owner's equity:			
Paid-in capital	Vll.11	**123,963,336.17**	123,963,336.17
Investment returned			
Net paid-in capital		**123,963,336.17**	123,963,336.17
Capital reserve			
Surplus reserve			
Undistributed profits	Vll.12	**-44,967,545.91**	-52,852,348.49
Total owner's equity		**78,995,790.26**	71,110,987.68
Total liabilities and owner's equity		**97,587,905.89**	102,703,674.41

The accompanying notes are an integral part of these financial statements.

Legal Representative:	AMITAVA GHOSH
Person in charge of accounting function:	HEMANT MORE
Person in charge of accounting department:	HEMANT MORE

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER, 2024

(ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED)

	Item	Notes	Amount in current period	Amount in previous period
I.	**Main operating income**	**VII.13**	**107,106,035.64**	116,990,309.32
	Less: Main operating cost		**85,108,645.91**	93,618,483.99
	Taxes and additions	**VII.14**	**152,150.92**	234,448.44
II.	**Main operating profit (losses"-")**		**21,845,238.81**	23,137,376.89
	Add: Other operating profit (losses "-")		**119,433.46**	
	Less: Operating expenses		**7,006,442.15**	6,552,694.06
	Administrative expenses			
	Financial expenses	**VII.15**	**-1,865.36**	236,483.94
III.	**Operating profit (losses"-")**		**6,786,326.44**	3,059,062.80
	Add: Return on investments (losses "-")			
	Subsidies income	**VII.16**	**893,517.99**	663,938.90
	Non-operating income	**VII.17**	**204,958.15**	303,417.42
	Less: Non-operating expenses	**VII.18**		
IV.	**Total profit (total losses "-")**		**7,884,802.58**	4,024,382.12
	Less: Income tax expenses			2,037.00
V.	**Net profit**		**7,884,802.58**	4,024,382.12

The accompanying notes are an integral part of these financial statements.

Legal Representative:	AMITAVA GHOSH
Person in charge of accounting function:	HEMANT MORE
Person in charge of accounting department:	HEMANT MORE

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER, 2024

(ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED)

	Item	Notes	Amount in current period	Amount in previous period
I.	**Cash flows from operating activities:**			
	Cash received from sale of goods and rendering of services		**106,064,459.81**	149,008,777.36
	Tax refund			777,976.85
	Other cash received relating to operating activities		**1,620,617.68**	683,347.36
	Sub-total of cash inflows		**107,685,077.49**	150,470,101.57
	Cash paid for goods and services		**23,790,482.21**	36,069,119.80
	Cash paid to and on behalf of employees		**77,199,920.73**	85,327,026.29
	Payments of taxes and levies		**1,426,191.35**	1,615,494.45
	Cash paid relating to other operating activities		**11,665,264.98**	14,848,297.28
	Sub-total of cash outflows		**114,081,859.27**	137,859,937.82
	Net cash flows from operating activities		**-6,396,781.78**	12,610,163.75
II.	**Cash flows from investing activities:**			
	Cash received from disposal of investments			
	Cash received from return on investments			
	Net cash received from disposal of fixed assets, intangible assets, and other long-term assets		**99,964.60**	
	Cash received from disposal of subsidiaries and other business entities			
	Cash received from other investment activities			
	Sub-total of cash inflows		**99,964.60**	
	Cash paid to acquire fixed assets, intangible assets, and other long- term assets		**9,578.90**	101,089.26
	Cash paid to acquire investments			
	Cash paid to acquire subsidiaries and other business entities			
	Cash paid for other investment activities			
	Sub-total of cash outflows		**9,578.90**	101,089.26
	Net cash flows from investing activities		**90,385.70**	-101,089.26

	Item	Notes	Amount in current period	Amount in previous period
III.	**Cash flows from financing activities:**			
	Cash received from capital contribution			
	Cash received from borrowings			
	Cash received from other financing activities			
	Sub-total of cash inflows			
	Cash repayments of borrowings			
	Cash payments for dividends, profits, or interest expenses			
	Cash paid for other financing activities			
	Sub-total of cash outflows			
	Net cash flows from financing activities			
IV.	**Effect of foreign exchange rate changes on cash and cash equivalents**			
V.	**Net increase in cash and cash equivalents**		**-6,306,396.08**	12,509,074.49
	Add: Beginning balance of cash and cash equivalents		**47,035,344.31**	34,526,269.82
VI.	**Ending balance of cash and cash equivalents**		**40,728,948.23**	47,035,344.31

The accompanying notes are an integral part of these financial statements.

Legal Representative:	AMITAVA GHOSH
Person in charge of accounting function:	HEMANT MORE
Person in charge of accounting department:	HEMANT MORE

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER, 2024

(ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED)

Item	Paid-in capital	Capital reserve	Surplus reserve	Undistributed profits	Total
Balance at end of last year	123,963,336.17			-52,852,348.49	71,110,987.68
Add: Changes in accounting policies					
Corrections of prior period errors					
Other changes					
Beginning balance of current period	123,963,336.17			-52,852,348.49	71,110,987.68
Net profit				7,884,802.58	7,884,802.58
Capital contributions or decreases by owners					
- Owner invested capital					
Profit appropriation					
- Appropriation to surplus reserve					
Incl: Statutory surplus reserve					
Discretionary surplus reserve					
Reserve fund					
Enterprise expansion fund					
Profit capitalized on return of investment					
- Distribution to owners					
Transfer between equity components					
- Capital reserve transfer to paid-in capital					
- Surplus reserve transfer to paid-in capital					
- Accumulated loss offset by surplus reserve					
- Other					
Ending balance of current period	123,963,336.17			-44,967,545.91	78,995,790.26
Balance at end of last year	123,963,336.17			-56,876,730.61	67,086,605.56
Add: Changes in accounting policies					
Corrections of prior period errors					

Item	Paid-in capital	Capital reserve	Surplus reserve	Undistributed profits	Total
Other changes					
Beginning balance of current period	123,963,336.17			-56,876,730.61	67,086,605.56
Net profit				4,024,382.12	4,024,382.12
Capital contributions or decreases by owners					
- Owner invested capital					
Profit appropriation					
- Appropriation to surplus reserve					
Incl: Statutory surplus reserve					
Discretionary surplus reserve					
Reserve fund					
Enterprise expansion fund					
Profit capitalized on return of investment					
- Distribution to owners					
Transfer between equity components					
- Capital reserve transfer to paid-in capital					
- Surplus reserve transfer to paid-in capital					
- Accumulated loss offset by surplus reserve					
- Other					
Ending balance of current period	123,963,336.17			-52,852,348.49	71,110,987.68

The accompanying notes are an integral part of these financial statements.

Legal Representative:	AMITAVA GHOSH
Person in charge of accounting function:	HEMANT MORE
Person in charge of accounting department:	HEMANT MORE

NOTES TO FINANCIAL STATEMENTS OF 2024

(ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED)

I. GENERAL INFORMATION OF THE COMPANY

TECH MAHINDRA (SHANGHAI) CO., LTD. (the Company) is a limited liability company (wholly-owned by foreign corporation) invested by TECH MAHINDRA LIMITED. The Company was established on December 23, 2002 and obtained the business license with Uniform Social Credit Code No. 91310115744229270H. Residential address of the Company is Room 23102, 23104, 23202 and 23204, Pudong Software Park, No.498 Guoshoujing Road, China (Shanghai) Pilot Free Trade Zone and the registered capital is USO 16,900,000. The Company has no fixed operating period.

The approved business scope is: software designing, developing, production, testing and maintenance (including embedded system software, computer aid design, manufactory and engineering service softwares, enterprise resource solution softwares, enterprise integrating softwares, custom relationship management softwares etc.); sales of the self-produced products and related technical consulting services; providing outsourcing design, research and development services in the fields of machinery and electronics; providing comprehensive logistics solution design; wholesale, import & export and agency business (except for auction) of electronic equipment, machinery and parts, steel products, computer hardwares and softwares, and providing related technical and auxiliary services. [Goods under state trade control are not included, and activities related to administrative permission should be operated with approval]

II. BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises and “Accounting System for Business enterprises” as promulgated by the State of the People’s Republic of China.

III. COMPLIANCE STATEMENT

The financial statements have been prepared in accordance with “Accounting System for Business Enterprises”, and present fairly, in all material respects, the financial position, financial performance, cash flows and the related financial information.

IV. PRINCIPAL ACCOUNTING POLICIES

1. Accounting period

The Company’s accounting year starts on 1 January and ends on 31 December.

2. Recording currency

The recording currency of the Company is the Renminbi (RMB).

3. Basis of accounting and measurement bases

The Company follows the accrual basis of accounting. Assets are initially recorded at actual costs on acquisition and subsequently adjusted for impairment, if any.

4. Foreign currency translation

Except for the accounting treatment of paid-in capital, foreign currency transactions are translated into RMB at the exchange rates stipulated by the People’s Bank of China (“the stipulated exchange rates”) on the transaction date in which the transactions took place. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into RMB at the stipulated exchange rates at the balance sheet date. Exchange differences arising from these translations are expensed, except for those attributable to foreign currency borrowings that have been made specifically for the construction of fixed assets, which are capitalized as part of the fixed asset costs and those arising in the pre-operating period, which are recorded as current period’s expenses.

Contributions to paid-in capital made in foreign currencies are translated into the RMB denominated paid-in capital account at the stipulated exchange rates at the contribution dates. Exchange differences arising from foreign currency capital contribution should be recognized as capital surplus.

5. Cash and cash equivalents

For the purposes of the cash flow statement, cash refers to all cash in hand and all deposits. Cash equivalents refer to less than three months and highly-liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

6. Receivables and provision for bad debts

Receivables comprise accounts receivable and other receivables. The provision method is used to account for potential bad debts identified by management. Receivables are presented at actual amounts net of provision for bad debts.

Accounts receivable

Accounts receivable comprises related party receivables and receivables from non-related parties.

The Company makes specific bad debts provision on an individual basis for accounts receivable that are distinctively different from any other receivable in recoverability. If there are indications that the balances cannot be recovered, the specific provision will be adjusted accordingly. General provision for bad debts is adopted to the other accounts receivable using ageing analysis:

Aging	**Rate(%)**
<180days(inc)	0
181days-270days(inc)	50
271days-365days(inc)	75
>366days	100

Other receivables

Specific provisions are made for other receivables on an individual basis.

Recognition criteria of bad debts loss

Where evidence exists that balances cannot be recovered due to the debtor's de registration, bankruptcy, insolvent and death, etc., bad debts are recognized and corresponding provision for bad debts is written off after the approval of the Company's general manager or the board pursuant to the authorization policies established in the Company.

7. Fixed assets and depreciation

Fixed assets are tangible assets that are used in production, including sales of goods, rendering of services and leases, or held for management purposes, which have useful lives of more than one year and have relatively high unit price.

Fixed assets purchased or constructed by the Company are recorded at cost.

Fixed assets are depreciated using the straight-line method to allocate the cost of the assets to their estimated residual values over their estimated useful lives. For the fixed assets being provided for impairment loss, the related depreciation charge is prospectively determined based upon the adjusted carrying amounts over their remaining useful lives.

Category of assets	**Estimated useful life**	**Estimated net residual value rate**	**Annual depreciation rate**
Network equipment	5 years	0%	20.00%
Office equipment	3/5 years	0%	33.33%/20.00%
Furniture equipment	3 years	0%	33.33%

When fixed assets are sold, transferred, disposed of or damaged, gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the assets, adjusted by related taxes and expenses, and are included in non-operating income or expenses.

The repair and maintenance expenses of fixed assets should be expensed directly for the current period. Subsequent expenditures for major reconstruction, expansion, improvement and renovation are capitalized when it is probable that future economic benefits in excess of the original assessment of performance will flow to the Company; the other subsequent expenditures should be recognized as costs or expenses for the current period. Capitalized expenditures arising from major reconstruction, expansion and improvement are depreciated using the straight-line method over the remaining useful lives of the fixed assets. The renovation expenses are depreciated using the straight-line method over the shorter of the interval of renovation and the estimated useful lives.

8. Long-term deferred expenses

Long-term deferred expenses are expenses paid by an enterprise, for which the amortization period is more than one year (excluding one year), including land royalty and maintenance, etc. long-term deferred expenses should be amortized evenly over the respective beneficial periods and presented at an amount net of accumulated amortization.

Leasehold improvements

Leasehold improvements should be amortized evenly over the shorter of the lease term and the useful lives the leased asset, and presented at an amount net of accumulated amortization.

9. Impairment of assets

In addition to the recognition of provisions for impairment loss on receivables and inventories which have been described in their respective accounting policies, individual assets for which there are indications that the carrying values are higher than their recoverable amounts, arising from the occurrence of events or changes in circumstances, are reviewed for impairment. If the carrying value of such assets is higher than the recoverable amount, the excess is recognized as an impairment loss.

The recoverable amount of an individual asset is the higher of its net selling price and its value in use. The net selling price is the amount obtainable from the sale of the asset in an arm's length transaction between knowledgeable and will parties, after deducting any incremental direct disposal costs. Value in use is the present value of estimated future cash flows expected being derived from continuing use of the asset and from its disposal at the end of its useful life.

When there is an indication that the need for an impairment provision recorded in a prior period no longer exists or has decreased, the provision for impairment loss is reversed. The increased carrying amount of the assets should not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years.

10. Borrowing costs

Borrowing costs, including interests and ancillary costs, incurred in connection with specific borrowings obtained for the acquisition or construction of fixed assets are capitalized as costs of the fixed assets when capital expenditures and borrowing costs are incurred and the activities have commenced to enable the assets to be ready for their intended use. The capitalization of borrowing costs ceases when the assets are ready for their intended use. Borrowing costs incurred thereafter are expensed.

11. Revenue recognition

Revenue from the sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the buyer, the Company retains neither continuing managerial involvement nor effective control over the goods sold, and it is probable that the economic benefit associated with the transaction will flow to the Company and the relevant revenue and costs can be measured reliably.

Revenue from the rendering of services shall be recognized at the time of service provided and consideration received or receivable.

Interest income should be measured based on the period between the acquisition date and the maturity date and the applicable interest rate.

Subsidy income shall be recognized at the time of receipt.

12. Employee benefits payable

The full-time employees of the Company are entitled to staff welfare benefits under existing PRC legislation, including pension benefits, medical care, unemployment insurance, housing fund and other benefits.

The Company is required to accrue for these benefits based on certain percentages of the employees' salaries, subject to certain ceilings, in accordance with the relevant PRC regulations, these benefits are levied by the human resource and social security bodies. The contributions are expensed as incurred.

13. Accounting for income taxes

The Company accounts for enterprise income taxes using the tax payable method. Under the tax payable method, tax expense is recognized based on current period taxable income and tax rates.

V. EXPLANATION OF CHANGES OF ACCOUNTING POLICY AND ACCOUNTING ESTIMATION AND ERROR CORRECTION

1. Principal accounting policy changes None.

2. Principal accounting estimation changes None.

3. Principal error correction None

VI. TAXATION

Major applicable taxes and tax rate for the Company:

Taxes	Tax rate(%)	Tax base
General VAT taxpayer	13, 6	Taxable sales
Enterprise income taxes	25	Taxable income
City maintenance tax	7, 5	Payable turnover tax
Education surtax	3	Payable turnover tax
Local education surtax	2	Payable turnover tax

VII. NOTES TO THE MAIN ITEMS OF THE FINANCIAL STATEMENTS

(ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED)

1. Cash and cash equivalents

Item	Ending balance	Beginning balance
Cash in bank	**40,728,948.23**	47,035,344.31
Total	**40,728,948.23**	47,035,344.31

2. Accounts receivable

Item	Ending balance	Beginning balance
Accounts receivable	**59,957,224.38**	55,871,833.73
Bad debt allowance for accounts receivable	**4,599,075.72**	2,837,618.49
Book balance	**55,358,148.66**	53,034,215.24

Aging analysis are as follows:

Aging	Ending balance		Beginning balance	
	Amount	**Bad debt allowance**	Amount	Bad debt allowance
<180days(inc)	**51,581,492.59**		52,839,752.81	
181days-270days(inc)	**3,921,335.20**	**664,053.73**	112,480.00	
271days-365days(inc)	**1,091,882.43**	**572,507.83**	327,929.70	245,947.27
>366days	**3,362,514.16**	**3,362,514.16**	2,591,671.22	2,591,671.22
Total	**59,957,224.38**	**4,599,075.72**	55,871,833.73	2,837,618.49

Debtors with large amounts

Name of debtors	Book value	% of total accounts receivable
Customer 1	12,009,355.75	20.03
Customer 2	9,917,892.20	16.54
Customer 3	9,364,382.60	15.62
Customer 4	6,940,188.02	11.58
Customer 5	2,186,098.93	3.65
Total	40,417,917.50	67.41

3. Other receivables

Item	Ending balance	Beginning balance
Other receivables	1,013,028.14	1,313,713.92
Bad debt allowance for other receivables		
Book balance	1,013,028.14	1,313,713.92

Aging analysis are as follows:

Aging	Ending balance		Beginning balance	
	Book value	**Bad debt allowance**	**Book value**	**Bad debt allowance**
within 1 year	**27,982.22**		63,925.00	
1-2 years	**57,589.00**		778,451.84	
2-3 years	**457,419.84**		80,000.00	
over 3 years	**470,037.08**		391,337.08	
Total	**1,013,028.14**		1,313,713.92	

Debtors with large amounts

Name of debtors	Ending balance
Customer 1	482,186.08
Customer 2	117,108.00
Customer 3	80,000.00
Total	679,294.08

4. Advance to suppliers

Advance to suppliers listed by aging

Aging	Ending balance	Beginning balance
within 1 year	**19,817.25**	55,433.55
Total	**19,817.25**	55,433.55

Debtors with large amounts

Name of debtors	Ending balance
Customer 1	**8,924.25**
Total	**8,924.25**

5. Fixed assets

	Item	Beginning balance	Increase	Decrease	Ending balance
(1)	Total original cost	10,635,842.59	5,861.48	1,911,174.91	8,730,529.16
	Network equipment	2,953,253.13			2,953,253.13
	Office equipment	7,341,527.37	5,861.48	1,911,174.91	5,436,213.94
	Furniture equipment	341,062.09			341,062.09
(2)	Total accumulated depreciation	10,046,623.00	389,031.95	1,940,301.63	8,495,353.32
	Network equipment	2,771,666.38	115,801.83	11,420.18	2,876,048.03
	Office equipment	6,933,894.53	273,230.12	1,928,881.45	5,278,243.20
	Furniture equipment	341,062.09			341,062.09
(3)	Total net book value	589,219.59			235,175.84
	Network equipment	181,586.75			77,205.10
	Office equipment	407,632.84			157,970.74
	Furniture equipment				

6. Long-term deferred expenses

Item	Beginning balance	Increase	Amortization	Other decrease	Ending balance
Lease hold improvements	147,499.38		113,076.21		34,423.17
Software	6,599.54	3,717.42	4,188.74		6,128.22
Total	154,098.92	3,717.42	117,264.95		40,551.39

7. Accounts payable

Item	Ending balance	Beginning balance
Accounts payable	**15,237,090.47**	18,249,938.06
Total	**15,237,090.47**	18,249,938.06

Significant accounts payable:

Name of creditors	Ending balance
Tech Mahindra Ltd.	**14,565,579.58**
Total	**14,565,579.58**

8. Wages payable

Item	Ending balance	Beginning balance
Wages payable		1,615,381.76
Total		1,615,381.76

9. Taxes payable

Item	Ending balance	Beginning balance
Value added tax	**205,994.66**	392,677.68
Corporate income tax	**-0.07**	-0.07
Individual income tax	**540,518.28**	477,772.16
Total	**746,512.87**	870,449.77

10. Accrued expenses

Item	Ending balance	Beginning balance
Provision for Expenses	**486,173.86**	2,059,563.08
Intercompany subcon service	**1,984,074.53**	8,589,052.72
Total	**2,470,248.39**	10,648,615.80

11. Paid-in capital

Name of investors	Ending balance			Beginning balance		
	Currency	Original currency	Converted to RMB	currency	Original Converted	Converted to RMB
Tech Mahindra Limited	USD	16,900,000.00	123,963,336.17	USD	16,900,000.00	123,963,336.17
Tota		16,900,000.00	123,963,336.17		16,900,000.00	123,963,336.17

The paid-in capital of USD 13,900,000 has been verified by Shanghai Linfang CPA Co., Ltd with the Capital Verification Report(2011) No.BY0116. The remaining invested capital has not been verified

12. Undistributed profits

Item	Amount in current period	Amount in previous period
Ending balance of last year	**-52,852,348.49**	-56,876,730.61
Beginning balance of this year	**-52,852,348.49**	-56,876,730.61
Increase in current period	**7,884,802.58**	4,024,382.12
Including: Current period net profit attributable to owners	**7,884,802.58**	4,024,382.12
Ending balance	**-44,967,545.91**	-52,852,348.49

13. Main operating income

Item	Amount in current period	Amount in previous period
Software designing, developing and maintenance (Domestic)	**52,848,634.19**	65,131,981.36
Software designing, developing and maintenance (Overseas)	**53,981,952.11**	51,137,765.01
Sales of goods (Domestic)	**275,449.34**	
Sales of goods (Overseas)		720,562.95
Total	**107,106,035.64**	116,990,309.32

14. Taxes and additions

Item	Amount in current period	Amount in previous period
City maintenance tax	**61,573.70**	84,858.21
Education surtaxes	**53,088.03**	68,295.98
Stamp duty	**37,489.19**	81,294.25
Total	**152,150.92**	234,448.44

15. Financial expenses

Item	Amount in current period	Amount in previous period
Interest expenses		
Less: Interest income	**321,420.36**	299,099.09
Bank charges	**25,552.78**	19,613.18
Exchange gains or losses	**294,002.22**	515,969.85
Total	**-1,865.36**	236,483.94

16. Subsidies income

Item	Amount in current period	Amount in previous period
Maternity allowance	**195,074.59**	
Job stabilization subsidies	**135,990.90**	
Disable allowance	**12,452.50**	
Government subsidies	**550,000.00**	663,938.90
Total	**893,517.99**	663,938.90

17. Non-operating income

Item	Amount in current period	Amount in previous period
Gains from the disposal of non-current assets	**99,964.60**	
Additional VAT deduction		191,710.20
IIT handling fee refund	**71,432.10**	70,189.33
Long-term accounts payable written off	**33,559.59**	41,518.20
Rounding off	**1.86**	-0.31
Total	**204,958.15**	303,417.42

18. Non-operating expenses

Item	Amount in current period	Amount in previous period
Surcharge for overdue tax payment		537.00
Others		1,500.00
Total		2,037.00

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. Related parties

Name of related party	Relationship with the Company
Tech Mahindra Limited	Investor
Tech Mahindra (Beijing) IT Services Limited	Controlled by the same party
Born Group Pte Limited	Controlled by the same party
Thirdware Solution Limited(Thirdware Technical Services;Thirdware Digital Services)	Controlled by the same party
Mahindra & Mahindra Ltd.	Investor's shareholder
Satyam-Venture Engineering Services(Shanghai) Co., Ltd	Controlled by the same party
MAHINDRA ELECTRIC AUTOMOBILE LIMITED	Controlled by the same party
Pininfarina Shanghai Co., Ltd	Controlled by the same party

2. Related transactions

(1) Purchase goods/ accepting services table

Name of related party	Transaction description	Currency	Amount in current period (original currency)	Amount in current period (domestic currency)
Tech Mahindra Limited	Receiving services	CNY	11,414,947.57	11,414,947.57
Tech Mahindra (Beijing) IT Services Limited	Receiving services	CNY	624,874.99	624,874.99
Pininfarina Shanghai Co., Ltd	Receiving services	CNY	1,831,505.00	1,831,505.00
Mahindra & Mahindra Ltd.	Trademark Licensing Fee	USD	2,145.89	16,277.94

(2) Sell goods /provide services table

Name of related party	Transaction description	Currency	Amount in current period (original currency)	Amount in current period (domestic currency)
Tech Mahindra Limited	Rendering services	CNY	10,918,256.50	10,918,256.50
Born Group Pte Limited	Rendering services	USD	227,924.23	1,640,909.39
Thirdware Solution Limited(Thirdware Technical Services;Thirdware Digital Services)	Rendering services	USD	181,459.30	1,314,247.43
Satyam-Venture Engineering Services(Shanghai) Co., Ltd	Rendering services	CNY	227,827.51	227,827.51
Mahindra & Mahindra Ltd.	Rendering services	USD	134,478.78	979,460.34
MAHINDRA ELECTRIC AUTOMOBILE LIMITED	Rendering service	USD	67,704.47	489,965.31

3. Accounts receivable and payable of related parties

Name of related party	Item	Currency	Ending balance(original currency)	Ending balance(original currency)
Born Group Pte Limited	Accounts payable	CNY	124,438.00	124,438.00
Tech Mahindra Limited	Accounts payable	CNY	4,353,489.73	4,353,489.73
Tech Mahindra Limited	Accounts payable	USD	1,398,145.07	9,474,784.92
Pininfarina Shanghai Co., Ltd	Accounts payable	CNY	547,072.89	547,072.89
Tech Mahindra Limited	Accrued expenses	CNY	1,194,621.05	1,194,621.05
Born Group Pte Limited	Accrued expenses	CNY	540,477.48	540,477.48
Pininfarina Shanghai Co., Ltd	Accrued expenses	CNY	248,976.00	248,976.00
Tech Mahindra Limited	Accounts receivable - billed	CNY	8,153,667.31	8,153,667.31
Tech Mahindra Limited	Accounts receivable - unbilled	CNY	1,210,715.29	1,210,715.29
Born Group Pte Limited	Accounts receivable - billed	USD	257,012.87	1,848,129.68
Thirdware Solution Limited(Thirdware Technical Services;Thirdware Digital Services)	Accounts receivable - billed	USD	18,334.58	133,841.05

Name of related party	Item	Currency	Ending balance(original currency)	Ending balance(original currency)
Thirdware Solution Limited(Thirdware Technical Services;Thirdware Digital Services)	Accounts receivable - unbilled	USD	18,334.58	133,840.97
Mahindra & Mahindra Ltd.	Accounts receivable - billed	USD	91,944.97	669,914.06
Mahindra & Mahindra Ltd.	Accounts receivable - unbilled	USD	5,097.15	37,222.56
MAHINDRA ELECTRIC AUTOMOBILE LIMITED	Accounts receivable - billed	USD	121,904.66	882,808.21
MAHINDRA ELECTRIC AUTOMOBILE LIMITED	Accounts receivable - unbilled	USD	4,804.60	35,086.18

IX. CONTINGENCIES

As of December 31, 2024, the Company has no contingencies to disclose.

X. SUBSEQUENT EVENTS AFTER BALANCE SHEET DATE

As of the issuing date of the Company’s financial statements, there are no significant subsequent events after balance sheet date.

TECH MAHINDRA (NANJING) COMPANY LTD

Board of directors
Mr. Amitava Ghosh
Mr. Ravi Yallajosula
Mr. Mukesh Sharma

Registered Office
Suite 413-246, Business Building,
Nanjing Hightech Industry Developing
Zone, Nanjing

Bankers
Standard Chartered Bank
China Merchant Bank

Auditors
Shanghai Linfang Certified
Public Accountants Co., Ltd..

DIRECTORS' REPORT

Your directors present their report together with the audited accounts of your company for the year ended December 31, 2024.

Financial results

For the years ended December 31	2024 RMB	2023 RMB
Income	689,957.32	644,976.72
Profit/(Loss) before tax	148,210.22	160,871.54
Profit/(Loss) after tax	140,799.70	152,811.53

Review of Operations:

During the year under review, your company recorded an income of RMB 689,957.32, a increase of 6.97% over the previous year. Profit after tax was RMB 140,799.70, a decrease of 7.86 % over the previous year. The Company continues to invest in strengthening its marketing infrastructure in China.

Outlook for the current year:

The management is exploring to merge the Company with other company in the Group in China. The future is cautiously optimistic.

Directors:

Mr. Amitava Ghosh, Mr. Ravi Yellajosula and Mr. Mukesh Sharma are directors of the Company

Acknowledgments:

Your Directors gratefully acknowledge the co-operation and assistance received from the employees, bankers, State and other Government Authorities and support from the shareholder.

For Tech Mahindra (Nanjing) Company Ltd

Amitava Ghosh
Director

Place: Nanjing, China
Date : 28th March 2025

INDEPENDENT AUDITOR'S REPORT

TO TECH MAHINDRA (NANJING) CO., LTD.

I. Opinion

We have audited the financial statements of TECH MAHINDRA **(NANJING)** CO., LTD. (the Company), which comprise the statement of financial position as at December 31, 2024, and the statement of comprehensive income, statement of cash flows and statement of changes in equity for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with China Accounting Standards for Business Enterprises and the China "Accounting System for Business Enterprises".

II. Basis for Opinion

We conducted our audit in accordance with China Auditing Standards. 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 China, 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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with China Accounting Standards for Business Enterprises and the China "Accounting System for Business Enterprises", and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

IV. 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 assurance, but is not a guarantee that an audit conducted in accordance with China Auditing Standards 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.

During the process of our audit in accordance with China Auditing Standards, we exercise professional judgment and maintain professional skepticism. We also:

(1) 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.

(2) 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.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(4) 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, we shall not express unqualified 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.

(5) 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 those Charged with Governance about planned scope and timing of the audit, as well as significant findings from the audit, including notable internal control weaknesses identified from the audit.

_____

Chen Jie, China Certified Public Accountant

_____

Ren Linyu, China Certified Public Accountant

Shanghai Linfang Certified Public Accountants Co., Ltd.

Shanghai, China

March 5th, 2025

BALANCE SHEET DECEMBER 31, 2024

(All amounts in RMB Yuan unless otherwise stated)

	Notes	Ending balance	Beginning balance
Current assets:			
Cash and cash equivalents	VI.1	**8,294,903.72**	8.877.893.81
Short-term investments			
Notes receivable			
Dividends receivable			
Interest receivable	VI.2	**151,908.26**	115,933.24
Accounts receivable	VI.3	**1,738,968.42**	1,022,052.56
Other receivables	VI.4	**4,000.00**	4,000.00
Advance to suppliers	VI.5	**793.28**	600.31
Subsidies receivable			
Inventories			
Prepaid expenses		**24,730.79**	57,883.13
Long-term debt investments due within one year			
Other current assets	VI.6	**2,318.14**	1,949.12
Total current assets		**10,217,622.61**	10,080,312.17
Non-current assets:			
Long-term equity investments			
Long-term debt investments			
Fixed assets-cost	VI.7	**4,126,789.32**	4,214,589.32
Accumulated depreciation	VI.7	**4,126,675.73**	4,214,475.73
Fixed assets-net value	VI.7	**113.59**	113.59
Provision for impairment loss on fixed assets			
Book value of fixed assets	VI.7	**113.59**	113.59
Construction materials			
Construction in progress			
Disposal of fixed assets			
Intangible assets			
Long-term deferred expenses		**2.00**	2.00
Other long-term assets			
Deferred tax debit			
Total non-current assets		**115.59**	115.59
Total assets		**10,217,738.20**	10,080,427.76
Current liabilities:			
Short-term loans			
Notes payable			
Accounts payable			
Advances from customers			
Wages payable			
Welfare payable			
Dividends payable			
Taxes payable	VI.8	**2,412.59**	2,795.62
Other fees payable	VI.9	**30.46**	24.98
Other payables			
Accrued expenses		**7,323.28**	10,434.99

	Notes	Ending balance	Beginning balance
Contingent liability			
Long-term liabilities due within one year			
Other current liabilities			
Total current liabilities		**9,766.33**	13,255.59
Non-current liabilities:			
Long-term loans			
Bonds payable			
Long-term accounts payable			
Special accounts payable			
Other long-term liabilities			
Deferred tax credit			
Total non-current liabilities			
Total liabilities		**9,766.33**	13,255.59
Owner's equity:			
Paid-in capital	VI.10	**52,646,896.26**	52,646,896.26
Investment returned			
Net paid-in capital		**52,646,896.26**	52,646,896.26
Capital reserve			
Surplus reserve			
Undistributed profits	VI.11	**-42,438,924.39**	-42,579,724.09
Total owner's equity		**10,207,971.87**	210,067,172.17
Total liabilities and owner's equity		**10,217,738.20**	10,080,427.76

The accompanying notes are an integral part of these financial statements.

Legal Representative: ROHIT ANAND

Person in charge of accounting function: TAO WANZHU

Person in charge of accounting department: TAO WANZHU

INCOME STATEMENT FOR YEAR 2024

(All amounts in RMB Yuan unless otherwise stated)

	Notes	Amount in current period	Amount in previous period
I. Main operating income	VI.12	685,355.55	644,976.72
Less: Main operating cost	VI.13	**263,953.13**	262,856.98
Taxes and additions			
II. Main operating profit (losses"-")		**421,402.42**	382,119.74
Add: Other operating profit (losses "-")			
Less: Operating expenses			
Administrative expenses		**368,927.85**	322,697.83
Financial expenses	VI.14	**-91,133.88**	-101,449.63
III. Operating profit (losses"-")		**143,608.45**	160,871.54
Add: Return on investments (losses "·")			
Subsidies income			
Non-operating income		**4,601.77**	
Less: Non-operating expenses			
IV. Total profit (total losses "-")		**148,210.22**	160,871.54
Less: Income tax expenses	VI.15	**7,410.52**	8,060.01
V. Net profit		**140,799.70**	152,811.53

The accompanying notes are an integral part of these financial statements.

Legal Representative: ROHIT ANAND

Person in charge of accounting function: TAO WANZHU

Person in charge of accounting department: TAO WANZHU

CASH FLOW STATEMENT FOR YEAR 2024

(All amounts in RMB Yuan unless otherwise stated)

Item		Notes	Amount in current period	Amount in previous period
I.	**Cash flows from operating activities:**			
	Cash received from sale of goods and rendering of services		**598. 23**	
	Tax refund			
	Other cash received relating to operating activities		**24,140.49**	33,938.25
	Sub-total of cash inflows		**24,738.72**	33,938.25
	Cash paid for goods and services		**72,951.42**	280.00
	Cash paid to and on behalf of employees		**353,226.80**	496,618.50
	Payments of taxes and levies		**7,970.68**	7,214.24
	Cash paid relating to other operating activities		**177,989.12**	125,368.77
	Sub-total of cash outflows		**612,138.02**	629,481.51
	Net cash flows from operating activities		**-587,399.30**	-595,543.26
II.	**Cash flows from investing activities:**			
	Cash received from disposal of investments			
	Cash received from return on investments			
	Net cash received from disposal of fixed assets, intangible assets, and other long-term assets		**4,601.77**	
	Cash received from disposal of subsidiaries and other business entities			
	Cash received from other investment activities			
	Sub-total of cash inflows		**4,601.77**	
	Cash paid to acquire fixed assets, intangible assets, and other long- term assets			
	Cash paid to acquire investments			
	Cash paid to acquire subsidiaries and other business entities			
	Cash paid for other investment activities			
	Sub-total of cash outflows			
	Net cash flows from investing activities		**4,601.77**	
III.	**Cash flows from financing activities:**			
	Cash received from capital contribution			
	Cash received from borrowings			
	Cash received from other financing activities			
	Sub-total of cash inflows			
	Cash repayments of borrowings			
	Cash payments for dividends, profits, or interest expenses			
	Cash paid for other financing activities			
	Sub-total of cash outflows			
	Net cash flows from financing activities			

Item		Notes	Amount in current period	Amount in previous period
IV.	**Effect of foreign exchange rate changes on cash and cash equivalents**		**-192.56**	0.04
V.	**Net increase in cash and cash equivalents**		**-582,990.09**	-595,543.22
	Add: Beginning balance of cash and cash equivalents		**8,877,893.81**	9,473,437.03
VI.	**Ending balance of cash and cash equivalents**		**8,294,903.72**	8,877,893.81

The accompanying notes are an integral part of these financial statements.

Legal Representative: ROHIT ANAND

Person in charge of accounting function: TAO WANZHU

Person in charge of accounting department: TAO WANZHU

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR 2024

(All amounts in RMB Yuan unless otherwise stated)

Item	Paid-in capital	Capital reserve	Surplus reserve	Undistributed profits	Total
Balance at end of last year	52,646,896.26			-42,579,724.09	10,067,172.17
Add: Changes in accounting policies					
Corrections of prior period errors					
Other changes					
Beginning balance of current period	**52,646,896.26**			**-42,579,724.09**	**10,067,172.17**
Net profit				140,799.70	140,799.70
Capital contributions or decreases by owners					
- Owner invested capital					
Profit appropriation					
- Appropriation to surplus reserve					
Incl:Statutory surplus reserve					
Discretionary surplus reserve					
Reserve fund					
Enterprise expansion fund					
Profit capitalized on return of investment					
- Distribution to owners					
Transfer between equity components					
- Capital reserve transfer to paid-in capital					
- Surplus reserve transfer to paid-in capital					
- Accumulated loss offset by surplus reserve					
- Other					
Ending balance of current period	**52,646,896.26**			**-42,438,924.39**	**10,207,971.87**
Balance at end of last year	**52,646,896.26**			**-42,732,535.62**	**9,914,360.64**
Add: Changes in accounting policies					
Corrections of prior period errors					
Other changes					
Beginning balance of current period	**52,646,896.26**			**-42,732,535.62**	**9.914.360.64**
Net profit				152,811.53	152.811.53
Capital contributions or decreases by owners					
- Owner invested capital					
Profit appropriation					
- Appropriation to surplus reserve					
Incl: Statutory surplus reserve					
Discretionary surplus reserve					
Reserve fund					
Enterprise expansion fund					
Profit capitalized on return of investment					

Item	Paid-in capital	Capital reserve	Surplus reserve	Undistributed profits	Total
- Distribution to owners					
Transfer between equity components					
- Capital reserve transfer to paid-in capital					
- Surplus reserve transfer to paid-in capital					
- Accumulated loss offset by surplus reserve					
- Other					
Ending balance of current period	**52,646,896.26**			**-42,579,724.09**	**10,067,172.17**

The accompanying notes are an integral part of these financial statements.

Legal Representative: ROHIT ANAND

Person in charge of accounting function: TAO WANZHU

Person in charge of accounting department: TAO WANZHU

NOTES TO FINANCIAL STATEMENTS OF 2024

(All amounts in RMB Yuan unless otherwise stated)

I. GENERAL INFORMATION OF THE COMPANY

Tech Mahindra (Nanjing) Co., Ltd. (Formerly Satyam Computer Services (Nanjing) Co., Ltd.) ("the Company") is a wholly owned by foreign enterprise invested by Tech Mahindra Limited. Registered at Nanjing Market Supervision Administration, the Company was established on June 29, 2007 and obtained the business license with Uniform Social Credit Code No.91320100660698045 8. The registered capital is USO 7.65 million. Residential address of the Company is Suite 413-246, Business Building, High-tech Industry Developing Zone, Nanjing. The Company has an approved operating period of 50 years.

The approved business scope is: software designing, developing, writing, testing, maintenance (including embedded system software, computer aid design, manufacturing and engineering service software, enterprise resource planning software, enterprise integrating software, customer relationship management software etc.); sales of the self-produced products and related technical consulting. (Activities related to administrative permission should be operated with approval).

II. BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises and "Accounting System for Business enterprises" as promulgated by the State of the People's Republic of China.

III. COMPLIANCE STATEMENT

The financial statements have been prepared in accordance with "Accounting System for Business Enterprises", and present fairly, in all material respects, the financial position, financial performance, cash flows and the related financial information.

IV. PRINCIPAL ACCOUNTING POLICIES

1. Accounting period

   The Company's accounting year starts on 1 January and ends on 31 December.

2. Recording currency

   The recording currency of the Company is the Renminbi (RMB).

3. Basis of accounting and measurement bases

   The Company follows the accrual basis of accounting. Assets are initially recorded at actual costs on acquisition and subsequently adjusted for impairment, if any.

4. Foreign currency translation

   Except for the accounting treatment of paid-in capital, foreign currency transactions are translated into RMB at the exchange rates stipulated by the People's Bank of China ("the stipulated exchange rates") on the transaction date / first day of the month in which the transactions took place. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into RMB at the stipulated exchange rates at the balance sheet date. Exchange differences arising from these translations are expensed, except for those attributable to foreign currency borrowings that have been made specifically for the construction of fixed assets, which are capitalized as part of the fixed asset costs and those arising in the pre-operating period, which are recorded as long-term deferred expenses.

   Contributions to paid-in capital made in foreign currencies are translated into the RMB denominated paid-in capital account at the stipulated exchange rates at the contribution dates. Exchange differences arising from foreign currency capital contribution should be recognized as capital surplus.

5. Cash and cash equivalents

For the purposes of the cash flow statement, cash refers to all cash in hand and all deposits. Cash equivalents refer to short-term and highly-liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

6. Receivables and provision for bad debts

Receivables comprise accounts receivable and other receivables. The provision method is used to account for potential bad debts identified by management. Receivables are presented at actual amounts net of provision for bad debts.

Accounts receivable

Accounts receivable comprises related party receivables and receivables from non-related parties.

The Company makes specific bad debts provision on an individual basis for accounts receivable that are distinctively different from any other receivable in recoverability. If there are indications that the balances cannot be recovered, the specific provision will be adjusted accordingly.

Other receivables

Specific provisions are made for other receivables on an individual basis. Recognition criteria of bad debts loss

Where evidence exists that balances cannot be recovered due to the debtor's de registration, bankruptcy, insolvent and death, etc., bad debts are recognized and corresponding provision for bad debts is written off after the approval of the Company's general manager or the board pursuant to the authorization policies established in the Company.

7. Fixed assets and depreciation

Fixed assets are tangible assets that are used in production, including sales of goods, rendering of services and leases, or held for management purposes, which have useful lives of more than one year and have relatively high unit price.

Fixed assets purchased or constructed by the Company are recorded at cost.

Fixed assets are depreciated using the straight-line method to allocate the cost of the assets to their estimated residual values over their estimated useful lives. For the fixed assets being provided for impairment loss, the related depreciation charge is prospectively determined based upon the adjusted carrying amounts over their remaining useful lives.

The estimated useful lives, estimated residual values expressed as a percentage of cost and annual depreciation rates are as follows:

Category of assets	Estimated Useful Life	Estimated Net Residual Value Rate	Annual Depreciation Rate
Electronic equipment	2-7 yrs	0%	14.28-50%
Office equipment	3-5 yrs	0%	20-33.33%
Furniture	5 yrs	0%	20.00%

When fixed assets are sold, transferred, disposed of or damaged, gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the assets, adjusted by related taxes and expenses, and are included in non-operating income or expenses.

8. Long-term deferred expenses

Long-term deferred expenses are expenses paid by an enterprise, for which the amortization period is more than one year (excluding one year), including land royalty and maintenance, etc. long-term deferred expenses should be amortized evenly over the respective beneficial periods and presented at an amount net of accumulated amortization.

Leasehold improvements

Leasehold improvements should be amortized evenly over the shorter of the lease term and the useful lives of the leased asset, and presented at an amount net of accumulated amortization.

9. Impairment of assets

In addition to the recognition of provisions for impairment loss on receivables and inventories which have been described in their respective accounting policies, individual assets for which there are indications that the carrying values are higher than their recoverable amounts, arising from the occurrence of events or changes in circumstances, are reviewed for impairment. If the carrying value of such assets is higher than the recoverable amount, the excess is recognized as an impairment loss.

The recoverable amount of an individual asset is the higher of its net selling price and its value in use. The net selling price is the amount obtainable from the sale of the asset in an arm's length transaction between knowledgeable and will parties, after deducting any incremental direct disposal costs. Value in use is the present value of estimated future cash flows expected being derived from continuing use of the asset and from its disposal at the end of its useful life.

When there is an indication that the need for an impairment provision recorded in a prior period no longer exists or has decreased, the provision for impairment loss is reversed. The increased carrying amount of the assets should not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years.

10. Revenue recognition

Revenue from the sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the buyer, the Company retains neither continuing managerial involvement nor effective control over the goods sold, and it is probable that the economic benefit associated with the transaction will flow to the Company and the relevant revenue and costs can be measured reliably.

Revenue from the rendering of services shall be recognized at the time of service provided and consideration received or receivable.

Interest income should be measured based on the period between the acquisition date and the maturity date and the applicable interest rate.

Subsidy income shall be recognized at the time of receipt.

11. Employee benefits payable

The full-time employees of the Company are entitled to staff welfare benefits under existing PRC legislation, including pension benefits, medical care, unemployment insurance, housing fund and other benefits.

The Company is required to accrue for these benefits based on certain percentages of the employees' salaries, subject to certain ceilings, in accordance with the relevant PRC regulations, these benefits are levied by the human resource and social security bodies. The contributions are expensed as incurred.

12. Accounting for income taxes

The Company accounts for enterprise income taxes using the tax payable method. Under the tax payable method, tax expense is recognized based on current period taxable income and tax rates.

V. TAXATION

Major applicable taxes and tax rate for the Company:

Taxes	Tax rate(%)	Tax base
General VAT taxpayer	0	Taxable sales
Enterprise income taxes	25	Taxable income
City maintenance tax	7	Payable turnover tax
Education surtax	3	Payable turnover tax
Local education surtax	2	Payable turnover tax

The Company implements The Ministry of Finance and the State Administration of Taxation Announcement No. 6 of 2023 standards for micro and small companies this year, the portion of annual taxable income not exceeding 1 million yuan shall be included in the taxable income at a reduced rate of 25%, and the enterprise income tax shall be paid at a 20% tax rate. The period is from January 1, 2023 to December 31, 2024.

In consistent with The Ministry of Finance and the State Administration of Taxation Announcement No. 13 of 2022, for micro and small companies, the portion of annual taxable income exceeding 1 million yuan but not exceeding 3 million yuan shall be included in the taxable income at a reduced rate of 25% and the enterprise income tax shall be paid at a 20% tax rate. The period is from January 1, 2022 to December 31, 2024.

VI. NOTES TO THE MAIN ITEMS OF THE FINANCIAL STATEMENTS

(All amounts in RMB Yuan unless otherwise stated)

1. CASH AND CASH EQUIVALENTS

Item	Ending balance	Beginning balance
Cash in bank	**8,294,903.72**	8,877,893.81
Total	**8,294,903.72**	8,877,893.81

2. INTEREST RECEIVABLE

Item	Ending balance	Beginning balance
Fixed term deposit	**151,908.26**	115,933.24
Total	**151,908.26**	115,933.24

3. ACCOUNTS RECEIVABLE

Item	Ending balance	Beginning balance
Accounts receivable	**1,740,080.57**	1,023,164.71
Bad debt allowance for accounts receivable	**1,112.15**	1,112.15
Accounts receivable-net	**1,738,968.42**	1,022,052.56

Aging analysis are as follows:

Aging	Ending balance		Beginning balance	
	Amount	Bad debt allowance	Amount	Bad debt allowance
within 1 year	**716,915.86**		644,976.72	
1-2 years	**644,976.72**		377,075.84	
2-3 years	**377,075.84**			
over 3 years	**1,112.15**	**1,112.15**	1,112.15	1,112.15
Total	**1,740,080.57**	**1,112.15**	1,023,164.71	1,112.15

4. OTHER RECEIVABLES

Item	Ending balance	Beginning balance
Other receivables	**4,000.00**	4,000.00
Bad debt allowance for other receivables		
Net book value of other receivables	**4,000.00**	4,000.00

Aging analysis are as follows:

Aging	Ending balance		Beginning balance	
	Amount	**Bad debt allowance**	**Amount**	**Bad debt allowance**
over 3 years	**4,000.00**		4,000.00	
Total	**4,000.00**		4,000.00	

5. ADVANCE TO SUPPLIERS

Advance to suppliers listed by aging

Aging	Ending balance	Beginning balance
within 1 year	**793.28**	600.31
Total	**793.28**	600.31

6. OTHER CURRENT ASSETS

Item	Ending balance	Beginning balance
VAT to be deducted	**2,318.14**	1,949.12
Total	**2,318.14**	1,949.12

7. FIXED ASSETS

Item	Beginning balance	Increase	Decrease	Ending balance
(1) Total original cost	4,214,589.32		87,800.00	**4,126,789.32**
Electronic equipment	3,749,285.19			**3,749,285.19**
Office equipment	412,794.13		87,800.00	**324,994.13**
Furniture	52,510.00			**52,510.00**
(2) Total accumulated depreciation	4,214,475.73		87,800.00	**4,126,675.73**
Electronic equipment	3,749,171.60			**3,749,171.60**
Office equipment	412,794.13		87,800.00	**324,994.13**
Furniture	52,510.00			**52,510.00**
(3) Total book value	113.59			**113.59**
Electronic equipment	113.59			**113.59**
Office equipment				
Furniture				
(4) Total impairment provision				
Electronic equipment				
Office equipment				
Furniture				
(5) Total net book value	113.59			**113.59**
Electronic equipment	113.59			**113.59**
Office equipment				
Furniture				

8. TAXES PAYABLE

Item	Ending balance	Beginning balance
Corprate income tax	**1,613.83**	2,076.01
Individual income tax	**798.76**	719.61
Total	**2,412.59**	2,795.62

9. OTHER FEES PAYABLE

Item	Ending balance	Beginning balance
Stamp duty	**30.46**	24.98
Total	**30.46**	24.98

10. PAID-IN CAPITAL

Name of investors	Ending balance			Beginning balance		
	Currency	Original currency	Converted to RMB	Currency	Original currency	Converted to RMB
Tech Mahindra Limited	**USD**	**7,650,000.00**	**52,646,896.26**	USD	7,650,000.00	52,646,896.26
Total		**7,650,000.00**	**52,646,896.26**		7,650,000.00	52,646,896.26

Note:The paid-in capital has been verified by Jiangsu Zhongtianxin CPA Co., Ltd with the Capital Verification Report No.22 [2013].

11. UNDISTRIBUTED PROFITS

Item	Amount in current period	Amount in previous period
Ending balance of last year	**-42,579,724.09**	-42,732,535.62
Beginning balance of this year	**-42,579,724.09**	-42,732,535.62
Increase in current period	**140,799.70**	152,811.53
Including: Current period net profit attributable to owners	**140,799.70**	152,811.53
Ending balance	**-42,438,924.39**	-42,579,724.09

12. MAIN OPERATING INCOME

Item	Amount in current period	Amount in previous period
Offshore outsourcing income - software design, development and maintenance	**685,355.55**	644,976.72
Total	**685,355.55**	644,976.72

13. MAIN OPERATING COST

Item	Amount in current period	Amount in previous period
Main operating cost	**263,953.13**	262,856.98
Total	**263,953.13**	262,856.98

14. FINANCIAL EXPENSES

Item	Amount in current period	Amount in previous period
Interest expenses		
Less: Interest income	**60,115.51**	102,237.26
Bank charges	**349.38**	787.67
Exchange gains or losses	**-31,367.75**	-0.04
Total	**-91,133.88**	-101,449.63

15. INCOME TAX EXPENSES

Item	Amount in current period	Amount in previous period
Current income tax	**7,410.52**	8,060.01
Total	**7,410.52**	8,060.01

16. ADJUST NET PROFIT TO OPERATING CASH FLOW

Item	Amount in current period	Amount in previous period
Net profit	**140,799.70**	152,811.53
Depreciation of fixed assets, depreciation of oil and gas assets, depreciation of capitalized biological assets		424.92
Decrease in prepaid expenses (less: increase)	**33,152.34**	-35,690.29
Increase in accrued expenses (less: decrease)	**-3,111.71**	-1,495.60
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains "-")	**-4,601.77**	
Financial expenses (incomes "-")	**192.56**	-0.04
Decrease in operational receivables (increase "-")	**-753,452.87**	-712,080.13
Increase in operational payables (decrease"-")	**-377.55**	486.35
Net cash flow from operating activities	**-587,399.30**	-595,543.26
Ending balance of cash	**8,294,903.72**	8,877,893.81
Beginning balance of cash and cash equivalents	**8,877,893.81**	9,473,437.03
Net increase in cash and cash equivalents	**-582,990.09**	-595,543.22

VII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. Related parties

Name of related party	Relationship with the Company
Tech Mahindra Limited	Investor
MAHINDRA & MAHINDRA LTD.	Controlled by the same party

2. Related transactions

(1) Purchase goods/ accepting services table

Name of related party	Transaction description	Currency	Amount in current period (original currency)	Amount in current period (domestic currency)
MAHINDRA & MAHINDRA LTD.	receive services	USD	2,142.54	16,165.38

(2) Sell goods/provide services table

Name of related party	Transaction description	Currency	Amount in current period (original currency)	Amount in current period (domestic currency)
Tech Mahindra Limited	provide services	USO	96,337.21	685,355.55

3. Accounts receivable and payable of related parties

Name of related party	Item	Currency	Ending balance (original currency)	Ending balance (domestic currency)
Tech Mahindra Limited	Accounts receivable	USO	241,913.15	1,738,968.42

VIII. CONTINGENCIES

As of December 31, 2024, the Company has no contingencies to disclose.

IX. SUBSEQUENT EVENTS AFTER BALANCE SHEET DATE

As of the issuing date of the Company's financial statements, there are no significant subsequent events after balance sheet date.

TECH MAHINDRA DE MÉXICO, S. DE R. L. DE C. V.

Board of Directors
Mr. Krishna Bala
Mr. Archit Asok
Mr. Rajasekhar Venkata Prabhakara Kosuri

Registered Office
Av. Eje 5 Note # Edificio F - Planta
Baja Colonia Santa Bárbara, C.P. 02230
Delegación Azcapotzalco Distrito Federal México

Bankers
Citi Bank

Auditors
KPMG CÁRDENAS DOSAL, S.C. Mexico

INDEPENDENT AUDITOR'S REPORT

The Board of Managers and Partners
Tech Mahindra de México, S. de R. L. de C. V.

Opinion

We have audited the financial statements of Tech Mahindra de México, S. de R.L. de C.V. (the Company), which comprise the statements of financial position as of December 31, 2024 and 2023, the statements of income, changes in partners' equity and cash flows for the years 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 Tech Mahindra de México, S. de R.L. de C.V. as of December 31, 2024 and 2023, and its results and its cash flows for the years then ended, in accordance with Mexican Financial Reporting Standards (FRS).

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 ethical requirements that are relevant to our audit of the financial statements in Mexico, 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

As Describe in note 1, the main activity of Tech Mahindra de México, S. de R.L. de C.V. is to provide computing consulting services. At December 31, 2024 and 2023 services rendered to Tech Mahindra Limited represents the 100% of the revenues. 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 and fair presentation of the financial statements in accordance with FRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 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.

KPMG CÁRDENAS DOSAL, S.C

J. Humberto Ortiz Ruiz
Monterrey, Nuevo León, México.
April 07, 2025

STATEMENT OF FINANCIAL POSITION

As of December 31, 2024 and 2023
(Mexican pesos)

	Note	2024	2023
Assets			
Current assets:			
Cash and cash equivalents	4	**$ 18,779,034**	51,322,717
Accounts receivable - net	5	**87,326,655**	81,270,823
Related parties	10	**324,841,794**	262,197,500
Prepayments		**15,133,735**	10,522,473
Deposits in guarantee		**2,677,560**	3,351,437
Other receivables	6	**1,573,096**	2,373,416
Total current assets		**450,331,874**	411,038,366
Non-Current assets:			
Property and equipment – net	7	**20,495,767**	33,573,634
Right of use assets of leased properties	8	**8,066,012**	30,922,994
Deposits in guarantee		**3,956,348**	3,956,347
Deferred income taxes	12	**21,089,282**	16,444,748
Income tax assets		**-**	12,016,704
Total non-current assets		**$ 53,607,409**	96,914,427
		$ 503,939,283	507,952,793
Liabilities and partners' equity			
Current liabilities:			
Related parties	10	**$ 228,042,949**	223,927,522
Accounts payable		**7,688,648**	9,940,188
Accrued expenses and taxes	9	**2,588,171**	3,342,641
Short term employee benefits	11	**34,298,751**	38,754,393
Income tax liabilities		**6,232,905**	-
Liability of leased properties	8	**10,279,689**	25,277,243
Total current liabilities		**289,131,113**	301,241,987
Non-Current liabilities:			
Other employee benefits	11	**1,352,488**	1,291,532
Employee benefits	11	**30,506,920**	34,842,972
Liability of leased properties	8	**-**	9,868,158
Total non-current liabilities		**31,859,408**	46,002,662
Total liabilities		**320,990,521**	347,244,649
Partners' capital:			
Social parts	13	**12,934,770**	12,934,770
Retained earnings		**170,013,992**	147,773,373
Total partners' equity		**182,948,762**	160,708,143
Contingent liabilities	17		
		$ 503,939,283	507,952,793

See accompanying notes to financial statements.

STATEMENT OF INCOME

As of December 31, 2024 and 2023
(Mexican pesos)

	Note	2024	2023
Operating revenue	14	**$ 720,720,765**	701,811,085
Other income	14	**1,854,208**	291,247
Total revenues		**722,574,973**	702,102,332
Costs and expenses:			
Cost of sales	14	**574,189,021**	580,560,038
Sales and administrative expenses	14	**102,200,139**	98,969,091
Operating income		**46,185,813**	22,573,203
Comprehensive financing results:			
Exchange (loss) gain		**(7,946,178)**	15,368,695
Finance costs		**(2,393,941)**	(4,481,315)
Income before income tax		**35,845,694**	33,460,583
Income tax expense	12	**13,605,075**	24,600,494
Net income		**$ 22,240,619**	8,860,089

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN PARTNERS' EQUITY

As of December 31, 2024 and 2023
(Mexican pesos)

	Social parts	Retained earnings	Total partners' equity
Balances at December 31, 2022	**$ 12,934,770**	**138,913,284**	**151,848,054**
Net income	-	8,860,089	8,860,089
Balances at December 31, 2023	**12,934,770**	**147,773,373**	**160,708,143**
Net income	-	22,240,619	22,240,619
Balances at December 31, 2024	**$ 12,934,770**	**170,013,992**	**182,948,762**

See accompanying notes to financial statements.

STATEMENTS OF CASH FLOWS

As of December 31, 2024 and 2023
(Mexican pesos)

	2024	2023
Operating:		
Income before income tax	**$ 35,845,694**	33,460,583
Depreciation	**43,278,361**	45,812,821
Loss of disposal of property	**64,280**	-
Less: Non-operating income		
Rent income - related parties	**-**	(250,240)
	79,188,875	79,023,164
(Increase)/Decrease in :		
Accounts receivable (including related parties)	**(68,700,126)**	(114,340,681)
Prepaid expenses	**(4,611,262)**	823,831
Deposits and other receivables	**1,474,196**	3,194,064
Increase/(Decrease) in :		
Accounts payable (including related parties)	**1,863,887**	89,699,032
Short term employee benefits	**(4,394,686)**	(6,095,928)
Employee benefits	**(4,336,052)**	(232,811)
Accrued expenses and taxes	**(754,470)**	(24,171,148)
Tax paid	**-**	2,315,933
Net cash flows provided by operating activities	**(269,638)**	30,215,456
Investing activities:		
Acquisitions of equipment (net of sale proceeds)	**(7,408,332)**	(20,541,294)
Rent income - related parties	**-**	250,240
Net cash flows used in investing activities	**(7,408,332)**	(20,291,054)
Financing activities:		
Repayment of lease liabilities - Net cash flows used in financing activities	**(24,865,713)**	(31,933,075)
Net decrease increase in cash and cash equivalents	**(32,543,683)**	(22,008,663)
Cash at beginning of the year	**51,322,717**	73,331,390
Cash at end of the year	**$ 18,779,034**	51,322,717

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Mexican pesos)

These financial statements have been translated from the Spanish language original and for the convenience of foreign/ English-speaking readers.

1. Activities

a. Activities-

Tech Mahindra de México, S. de R.L. de C.V. (the "Entity or Company") was incorporated on June 30, 2008 under the laws of Mexico. Its address is Av. Eje 5 Norte # 990, Edificio F - Planta Baja, Colonia Santa Bárbara, C.P. 02230, Delegación Azcapotzalco, Distrito Federal México.

The Company is principally involved in computing consulting services and operates primarily in Mexico. Its holding company is Tech Mahindra Limited, an Indian public listed company. The Company carries out certain transactions with its Holding company as described in note 10.

b. Financial statement authorization and presentation-

On April 7, 2025, the issuance of the financial statements was authorized by Mr. Archit Ashok (Board Manager and Secretary) and Rajasekhar Venkata Prabhakara Kosuri (Board of Manager). These financial statements are subject to the approval of the Board of Partners and the general ordinary partners' meetings, where they may be modified, based on provisions set forth by the General Corporate Law.

2. Basis of presentation

a. Statement of compliance – The accompanying financial statements have been prepared in accordance with Mexican Financial Reporting Standards (MFRS).

b. Use of estimates – In preparing these financial statements management has made estimates about the future that affect the application of the Company's accounting policies and the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amount of revenues and expenses during the reporting. Actual results could differ from those estimates.

c. Judgments – Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

Note 3 m - Leases: whether an arrangement contains a lease.

d. Assumptions and estimation uncertainties – Information about assumptions and estimation uncertainties at December 31, 2024 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Note 3 h - measurement of defined benefit obligations: key actuarial assumptions.
- Note 3 i - recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized.

e. Explanation for preparation in English - The accompanying financial statements have been prepared in English for use outside of Mexico. These financial statements are presented on the basis of Mexican Financial Reporting Standards ("Mexican FRS" or "Mex FRS"), which are comprised of accounting standards that are individually referred to as Normas de Información Financiera, or "NIFs"). Certain accounting practices applied by the Entity that conform with Mex FRS may not conform with accounting principles generally accepted in the country of use.

f. Monetary unit of the financial statements –The financial statements and notes as of December 31, 2024 and 2023 and for the years then ended are presented in Mexican pesos (reporting currency), which is the same as the local currency and the functional currency.

g. Statement of comprehensive income presentation - The Company presents comprehensive income in a single statement of net income entitled "Statement of Income" given that the Company did not generate Other Comprehensive Income (OCI) during the current year or the preceding year, which is presented for comparative purposes.

Ordinary costs and expenses are presented based on their function because it is the practice of the industry to which the Entity belongs. Additionally, the "Operating income (loss)" line item is included, which results from subtracting the cost of sales and expenses from net sales, as this line item is considered to provide a better understanding of the Company's economic and financial performance.

3. Summary of the material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Company:

a. Recognition of the effects of inflation

The Mexican FRS B-10 "Effects of inflation" requires the recognition of inflation until December 31, 2007. Since January 1, 2008, the Mexican FRS B-10 requires the recognition of the effects of inflation when the Company operates in an inflationary economic environment (cumulated inflation equal or more than 26% during last three years).

Annual and cumulative inflation percentage of the last three years and the indices used to determine inflation (Mexican National Consumer Price Index - "NCPI"), are as follows:

	Inflation	
December 31	**Yearly**	**Cumulative**
2024	4.21%	17.60%
2023	4.66%	21.14%
2022	7.82%	19.39%

b. Cash and cash equivalents– Cash and cash equivalents consist of checking accounts, bank deposits, foreign currency, and other highly liquid instruments. At the date of the financial statements, interest income and foreign exchange gains and losses are included in the statement of income.

c. Financial instruments-

Financial assets and liabilities - including accounts receivable and payable - are initially recognized when these assets are originated or acquired, or when these liabilities are issued or assumed, both contractually.

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

Financial assets and financial liabilities (unless it is an account receivable or payable without a significant financing component) are measured and initially recognized at fair value, in the case of financial assets or liabilities not measured at fair value with changes through OCI, plus the transaction costs directly attributable to acquisition or issuance, when subsequently measured at amortized cost. An account receivable without a significant financing component is initially measured at the transaction price.

Loss allowance for expected credit losses (ECL)-

The Company recognizes loss allowances for ECLs on financial assets measured at amortized cost.

Loss allowances for trade receivable 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 Group 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 including forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument, about past events, current conditions and forecasts of future economic conditions.

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.

Measurement of ECLs

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

ECLs are discounted at the effective interest rate of the financial asset.

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

Evidence that a financial asset is credit -impaired 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 90 days past due;

– 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 allowance for ECL in the statement of financial position

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

Write off

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. For external customers, 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, on a case-to-case basis. 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.

d. Property and equipment (net) – Property, plant and equipment, including those under leases, are recorded at acquisition cost and the present value of total payments, respectively. Balances from acquisitions made through December 31, 2007, were restated for the effects of inflation by applying factors derived from the NCPI through that date.

Depreciation on property, plant and equipment is calculated using the straight-line method based on the estimated useful lives of the related assets, as follows:

Category	Useful life
Computers	3 years
Furniture and fixtures	5 years
Plant & Machinery	5 years
Office equipment	5 years
Software acquired for consideration	1 year

Leasehold improvements are amortized over the useful life of the improvement or the related contract term, whichever is shorter.

Minor repairs and maintenance costs are expensed as incurred.

e. **Prepayments-** Mainly include prepayments for employee health and life insurance services that are received after the date of the statement of financial position and in the ordinary course of operations.

f. **Deposits in guarantee-** This includes the security deposit of office premises lease and are stated at cost.

g. **Other assets/receivables-** Other assets include mainly advances to employees and suppliers and are stated at cost.

h. **Impairment of property, plant and equipment and other non-current assets, leases assets and intangible assets-** The Company evaluates the net carrying amount of property, plant and equipment and other non-current assets, leases assets and intangible assets, to determine whether there is an indication that the carrying amount exceeds the recoverable amount. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the asset to future net revenues reasonably expected to be generated by the asset. If the net carrying amount of the asset exceeds the recoverable amount, the Company records the necessary provisions.

i. **Provisions -** Provisions are recognized for current obligations that arise from a past event, that are probable to result in the use of economic resources, and that can be reasonably estimated.

j. **Employee benefits -** Employee benefits are those granted to personnel and/or their beneficiaries in exchange for the services rendered by the employee, which include all kinds of remuneration earned, as follows:

   i. **Short-term direct benefits -** Short-term direct employee benefits are recognized in income of the period in which the services rendered are accrued. A liability is recognized for the amount expected to be paid if the Company has a legal or assumed obligation to pay this amount as a result of past services provided and the obligation can be reasonably estimated.

   ii. **Long-term direct benefits -** The Company's net obligation in relation to direct long-term benefits (except for deferred ESPS), and which the Company is expected to pay at least twelve months after the date of the most recent balance sheet presented, is the amount of future benefits that employees have obtained in exchange for their service in the current and previous periods. This benefit is discounted to its present value. Remeasurements are recognized in income in the period in which they are accrued.

   iii. **Termination benefits: -** A liability is recognized for termination benefits along with a cost or expense when the Company has no realistic alternative other than to make the corresponding payments or when the offer of these benefits cannot be withdrawn or when the conditions that require the recognition of restructuring costs are met, whichever occurs first.

   Defined contribution plans

   Obligations for contributions to defined contribution plans are recognized in income as the related services are provided by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

k. **Income Tax (IT) and Employee Statutory Profit Sharing (ESPS)-** IT and ESPS payable for the year are determined in conformity with the tax regulations in effect.

   Deferred IT and ESPS are accounted for under the asset and liability method. Deferred taxes and ESPS assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and in the case of IT, for operating loss carryforwards and other recoverable tax credits. Deferred tax and ESPS assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

   The effect on deferred tax and ESPS assets and liabilities of a change in tax rates is recognized on the consolidated statement of comprehensive income in the period that includes the enactment date.

   Current and deferred income taxes [and ESPS] are presented and classified in the results of operations of the period, except those arising from a transaction that is recognized in Other Comprehensive Income or directly in stockholders' equity.

l. Foreign currency transactions - Foreign currency transactions are recorded at the applicable exchange rate in effect at the transaction date. Monetary assets and liabilities denominated in foreign currency are translated into Mexican pesos at the applicable exchange rate in effect at the balance sheet date. Exchange fluctuations are recorded as a component of net financing cost (income) in the statements of income.

m. Revenue recognition – Revenues include the fair value of the consideration received or receivable for the services in the regular course of operations, which is when control has been transferred to the customers in exchange for the consideration to which the Entity believes it is entitled in exchange for such goods or services. Revenues are presented net of discounts.

Revenue from service contracts priced on a time and material basis is recognized when services are rendered. Revenue from fixed price service contracts is recognized as performance obligation satisfied over a period of time based on the stage of completion of the contract the stage of completion determined as the proportion of the total time expected to install that has elapsed at the end of the reporting period is an appropriate measure of progress towards complete satisfaction of these performance obligations.

Invoices for services are issued on a monthly basis and are usually payable within 45-60 days.

Revenues are recognized when the following steps are completed:

- The contract or contracts are identified with the customer.
- The obligations to be performed in the contract are identified.
- The transaction price is determined.
- The transaction price is allocated among the different obligations to be performed in the contract.
- The revenues are recognized when the Entity fulfills each of the obligations involved.

The Company acts as a sub-contractor to its Holding Company Tech Mahindra Limited for which it is remunerated on cost plus markup basis. Its revenue from cost plus markup contracts are recognized based on the terms of the contract over the service period.

Invoices for services to the Holding Company are issued on a monthly basis and are usually payable within 30 days.

n. Business and credit concentration- Services rendered to Tech Mahindra Limited represented 100% in 2024 and 2023 of the Company's net revenue.

The principal supplier for sub-contracting services rendered is Tech Mahindra Limited, from which the Company made approximately 100% in 2024 and 99% in 2023 of the Company's total cost of sub-contracting services.

o. Lease- At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in FRS D-5.

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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

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

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company presents right-of-use assets in lease assets and lease liabilities in lease liabilities in the statement of financial position.

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

p. Contingencies- Liabilities for loss contingencies are recorded when it is probable that a liability has been incurred, and the amount thereof can be reasonably estimated. When a reasonable estimation cannot be made, disclosure is provided in the notes to the financial statements. Contingent revenues, earnings or assets are not recognized until realization is assured.

q. Comprehensive financial results (CFR)- The CFR includes finance income and expense, reduced by the amounts capitalized.

Finance income and expense include:

- interest expense;
- interest income;
- the foreign currency gain or loss on financial assets and financial liabilities;

Interest income or expense is recognized using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired after initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of execution or settlement. Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate in force at the statement of financial position date. Exchange differences arising from assets and liabilities denominated in foreign currencies are reported on the statement of income.

4. Cash and equivalents-

Cash and cash equivalents comprise the following:

	2024	2023
Current accounts and cash and cash equivalents	**$ 18,779,034**	51,322,717

The Company had no restricted cash and cash equivalents.

5. Accounts receivable-

	2024	2023
Receivable from external customer:		
Customer	**$ 58,809,123**	75,755,339
Loss allowance for ECL	**(3,989,929)**	(5,729,825)
Debtors net of allowance for ECL	**54,819,194**	70,025,514
Unbilled revenue	**32,507,461**	11,245,309
Total receivable from external customers	**$ 87,326,655**	81,270,823

Expected credit losses:

For the commercial accounts receivable portfolio, the Entity estimates the expected credit loss (ECL) based on its experience of previous credit losses, current changes in the behavior of its customers and future economic forecasts, for which purpose it classifies its portfolio by degree of payment arrears and allocates different amounts of ECL to each of the segments of its portfolio.

The Company acts as a sub-contractor to its holding company Tech Mahindra Limited for which it is remunerated on cost plus markup basis. The expected credit loss provision is created for the external customers of the Company for which the Company is acting as an agent or sub-contractor.

Based on the average that its ECL represent of total revenues and the payment arrears of customer receivables, as well as adjustments to the amounts of ECL considering the current economic situation, the respective calculation is as follows:

Amount of accounts receivable	Days in arrears	Probability of default	Portfolio amount in default	Loss Severity (SP)	Loss Severity (SP)
3,989,929	More than 365 days	100%	3,989,929	100%	3,989,929

In this case, given the impossibility of estimating the collection date, it is not practical to discount the amounts of cash flows receivable. Also, the Company does not charge interest to its customers for arrears, and so it has not identified the effective interest rate.

6. Other receivables-

	2024	2023
Other receivables	**$ 156,600**	10,436
Advances to employees	**1,416,496**	2,362,980
Total other receivables	**$ 1,573,096**	2,373,416

7. Property and equipment -

		2024	2023
a)	**Investment**		
	Plant & machinery	**$ 16,904,933**	33,842,836
	Furniture and fixtures	**13,657,275**	25,512,128
	Equipment and computers	**84,541,467**	77,396,225
	Leasehold Improvements	**11,355,289**	11,355,289
	Software	**741,036**	535,581
	Total	**127,200,000**	148,642,059
b)	**Accumulated depreciation**		
	Plant & machinery	**11,878,821**	25,591,392
	Furniture and fixtures	**13,030,009**	23,645,208
	Equipment and computers	**73,677,681**	60,561,821
	Leasehold improvements	**7,376,686**	5,046,845
	Software	**741,036**	223,159
	Total	**106,704,233**	115,068,425
	Net property and equipment	**$ 20,495,767**	33,573,634

Depreciation recognized in the statements of operations was $20,421,379 and $22,419,637; in 2024 and 2023, respectively.

8. Right of use assets and liabilities-

The Company leases office premises, typically for a period of 3 years.

Right of use asset

Right-of-use assets related to lease properties that do not meet the definition of investment property comprise the following:

	Buildings	
	2024	2023
Balance at January 1, 2024	**$ 30,922,994**	38,734,251
Additions to right-of-use assets	**-**	30,819,909
Deletion to right-to-use assets	**-**	(15,237,982)
Depreciation charge for the year	**(22,856,982)**	(23,393,184)
Balance at December 31, 2024	**$ 8,066,012**	30,922,994

Amounts recognized in profit or loss	2024	2023
Leases under FRS D-5		
Interest on lease liabilities	**$ 2,393,941**	4,481,315

Total cash outflows for leases were and $ 27,259,652 in 2024 and $ 22,248,020 in 2023 respectively.

Lease liabilities	2024	2023
Liability	**$ 10,279,689**	35,145,401

The terms and conditions of leases are as follows:

	2024	2023
Nominal Interest rate	**11.50%**	11.50%
Year of maturity	**2021-2025**	2021-2025
Nominal value	**9,753,684**	37,536,613
Present value	**10,279,689**	35,145,401

Maturities of lease liabilities:

	2024		2023	
	Nominal value	**Present value**	**Nominal value**	**Present value**
Less than one year	**$ 9,753,684**	**10,279,689**	27,524,979	25,277,243
Between one and five years	**-**		10,011,634	9,868,158
Total	**$ 9,753,684**	**10,279,689**	37,536,613	35,145,401

9. Accrued expenses and taxes-

Accruals include the following:

	Accrued expenses	VAT payable	Provision for discount	Others	Total
Balances as at December 31, 2023	$ 2,163,358	(1,709,710)	1,220,307	1,668,686	3,342,641
Increase in earnings	4,548,724	11,635,332	352,815	8,634,028	25,170,899
Write-offs credited to earnings	(348,875)	-	-	(7,630,557)	(7,979,432)
Payments	(1,779,095)	(14,979,218)	(429,035)	(758,589)	(17,945,937)
Balances as at December 31, 2024	**$ 4,584,112**	**(5,053,596)**	**1,144,087**	**1,913,568**	**2,588,171**

10. Related parties-

a. List of related parties:

Tech Mahindra Limited (holding company)

LCC Central America de Mexico S.A. de C.V. (Fellow subsidiary)

Born Group Inc. (Fellow subsidiary)

Allyis Inc. (Fellow subsidiary)

Tech Mahindra Network Services International Inc. (Fellow subsidiary)

Tech Mahindra America Inc (Fellow Subsidiary)

b. Transactions with related parties, carried out in the ordinary course of business, whose consideration is equivalent to that in similar transactions carried out with independent parties, were as follows:

	2024	2023
Revenues from services rendered to:	**$ 719,153,027**	694,219,094
Tech Mahindra Limited	**-**	253,500
LCC Central America de México S.A. de C.V.	**664,279**	120,811
Allyis Inc	**903,460**	7,217,680
Born Group Inc.		
Expenses for services received from:		
Tech Mahindra Limited	**(199,293,232)**	(233,088,459)
LCC Central América de México S.A. de C.V.	**-**	(70,910)
Reimbursement of expenses:		
Tech Mahindra Limited	**(1,027,894)**	(1,223,175)
Tech Mahindra Network Services International Inc	**-**	(86,166)
Other Income (rental income):		
LCC Central América de México S.A. de C.V.	**$ -**	250,240

c. Balances due from and to related parties are as follows:

	2024	2023
Receivable:		
Tech Mahindra Limited	**$ 324,710,124**	256,130,762
LCC Central America de Mexico SA de CV (Fellow Subsidiary)	**-**	588,120
BORN Group Inc	**-**	5,386,651
Allyis Inc	**131,670**	91,967
	$ 324,841,794	262,197,500
Payable:	**$ 228,042,949**	223,842,420
Tech Mahindra Limited	**-**	85,102
Tech Mahindra Network Services International Inc	**$ 228,042,949**	223,927,522

i) The Company bills its revenue to its Parent Company based on its operating costs with a mark-up of 5%.

ii) The Company bills third party customers on behalf of its Parent Company. The credit risk pertaining to these counterparts' rests with the Parent Company.

11. Employee benefits-

a) Short term direct benefits

The short-term direct benefits are as follows:

	2024	2023
Employee benefits		
Compensated absences*	**$ 3,586,194**	3,423,016
Short term employee benefits	**8,231,847**	11,367,239
Other statutory payments	**22,349,038**	23,928,734
Other employee payables	**131,672**	35,404
Total	**$ 34,298,751**	38,754,393

* Note: Non -current portion of compensated absences $1,352,488 and $1,291,532 in 2024 and 2023, respectively has been disclosed under other employee benefits under non-current liabilities.

b) Post-employment benefits

The Company has a defined benefit plan for seniority premium and legal compensation, covering substantially all its employees its unionized and trustworthy staff. Benefits are based on the years of service and the employee's compensation.

The components of defined benefit cost for the years ended December 31, 2024 and 2023 are shown below:

	Seniority Premium	Seniority Premium	Legal Compensation	Legal Compensation
	2024	**2023**	**2024**	**2023**
Current service cost (CLSA)	**$ 1,309,819**	1,114,479	**4,239,347**	4,424,011
Prior Service Cost	**-**	10,188	**-**	1,214,131
Net interest	**243,676**	177,825	**2,680,555**	2,588,611
Settlement cost	**2,263,094**	1,074,884	**24,392,735**	17,350,191
Remeasurements of net assets for defined benefits (DBNA) or net liabilities for defined benefits (DBNL) recognized in income of the period	**-**	(152,966)	**(3,972,733)**	(4,032,559)
Net cost for the period	**$ 3,816,589**	2,224,410	**27,339,904**	21,544,385

	Seniority Premium	Seniority Premium	Legal Compensation	Legal Compensation
	2024	**2023**	**2024**	**2023**
Beginning balance of DBNL	**$ 2,880,929**	2,176,793	**31,962,043**	32,898,990
Defined Benefit Cost	**3,816,589**	2,224,410	**27,339,904**	21,544,385
Payments charged to DBNL	**(3,128,327)**	(1,520,274)	**(31,664,565)**	(22,481,332)
Other Adjustments	**(699,653)**	-	**-**	-
Ending balance of DBNL	**$ 2,869,538**	2,880,929	**27,637,382**	31,962,043

	2024	**2023**
Assumptions:		
Discount rate	**9.10%**	9.25%
Rate of compensation increase	**3%**	3%
Average remaining employee labor life	**16.7**	16.56

12. Income tax (IT) and employee statutory profit sharing (ESPS)-

The Company is subject to IT. According with the IT law, the rate is 30% in 2023 and 2022, and it will continue at 30% thereafter.

a. IT consists of the following:

	2024	**2023**
IT:		
Current	**$ 18,249,609**	8,415,791
Deferred	**(4,644,534)**	16,184,703
	$ 13,605,075	24,600,494

Income tax expense attributable to income from continuing operations before income taxes, differed from the amounts computed by applying the Mexican statutory rates of 30% IT to income before income taxes, as a result of the items shown below:

	2024	2023
Computed “expected” tax expense	**$ 10,753,708**	10,038,175
Increase (reduction) resulting from:		
Effects of inflation, net	**(2,716,098)**	4,502,734
Non-deductible expenses	**4,680,077**	2,444,785
Exempt Salaries	**1,771,491**	4,137,627
Provisions	**(429,689)**	(1,245,412)
Towards Liability	**1,059,340**	1,344,394
Towards Social Security	**718,182**	(140,028)
Insurances	**(1,318,360)**	704,724
Reversal of agent ECL	**(1,739,896)**	(895,529)
Others	**826,320**	3,709,024
IT expense	**$ 13,605,075**	24,600,494

The tax effects of temporary differences that give rise to significant portions of the deferred income tax assets and liabilities, at December 31, 2024 and 2023, are presented below:

	2024	2023
Deferred tax assets:		
Property and equipment	**$ 8,584,355**	10,294,906
Right of use of lease properties	**11,000**	(1,266,723)
Accrued bonuses and other accruals	**17,081,028**	10,573,307
Total gross deferred tax assets	**25,676,383**	19,601,490
Deferred tax liabilities:		
Prepaid expenses	**(4,587,101)**	(3,156,742)
Net deferred IT asset	**$ 21,089,282**	16,444,748

ESPS

The ESPS expense is as follows:

	2024	2023
Total ESPS expense recognized in income statement	**$ 5,668,685**	5,826,615

13. Partners’ equity-

a. As of December 31, 2024 and 2023 partner units at par value (historical pesos), is as follows:

	Number of social parts	Amount in historical pesos	Number of social parts	Amount in historical pesos
	2024		2023	
Fixed capital:				
Series “A” partner units*	**2**	**$ 3,000**	**2**	3,000
Variable capital			**-**	-
Series “B” partner units**	**1**	**12,931,770**	**1**	12,931,770
Total	**3**	**$ 12,934,770**	**3**	12,934,770

* Series “A” represents the fixed portion of capital stock with no retirement rights.

** Series “B” represents the variable portion of capital stock with retirement rights.

b. Retained earnings include the statutory legal reserve. The General Corporate Law requires that at least 5% of net income of the year be transferred to the legal reserve until the reserve equals 20% of partner units at par value (historical pesos). The legal reserve may be capitalized but may not be distributed unless the Company is dissolved. The legal reserve must be replenished if it is reduced for any reason. The legal reserve for the year ended December 31, 2024 and December 31, 2023 is $4,243,692.

c. Partners' equity, except restated paid-in capital and tax retained earnings, will be subject to income taxes in the event of distribution, at the rate of 30%, payable by the Company; consequently, the stockholders may only receive 70% of such amounts. Any tax paid on such distributions may be credited against annual and estimated income taxes of the year in which the tax on dividends is paid and the following two fiscal years.

d. The balances of the partners' equity tax accounts as of December 31 are:

	2024	2023
Contributed capital account	**$ 20,346,954**	19,524,954
Net tax income account	**291,035,277**	254,649,149
Total	**$ 311,382,231**	274,174,103

14. Revenue cost and expenses-

	2024	2023
Revenue		
Revenue from contracts with customers:		
From services rendered to Tech Mahindra Limited	**$ 719,153,026**	694,219,094
From services rendered to fellow subsidiaries	**1,567,739**	7,591,991
Other income		
Rental income	**-**	250,240
Others	**1,854,208**	41,007
Total revenue	**$ 722,574,973**	702,102,332

	2024		2023	
Costs	**Cost of sales**	**Selling expenses and Administrative expenses**	**Cost of sales**	**Selling expenses and Administrative expenses**
Salaries and related cost[1]	**$ 554,649,216**	**-**	564,035,864	-
Depreciation and amortization				
- On property and equipment	**-**	**20,421,379**	-	22,419,640
- On right of use assets	**-**	**22,856,982**	-	23,393,184
Subcontracting expenses	**2,629,124**	**-**	2,739,241	-
Communication expense	**8,031,172**	**-**	7,896,285	-
General Office expenses	**-**	**13,484,326**	-	12,424,407
Other	**8,879,509**	**45,437,452**	5,888,648	40,731,860
Total	**$ 574,189,021**	**102,200,139**	580,560,038	98,969,091

[1]Salaries and related cost includes expense for ESPS $ for 2024 was $ 5,668,685 and $5,826,615 for 2023.

15. Financial instruments and risk review-

a. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

Financial Asset and Liabilities (not measured at fair value)	2024	2023
Carrying amount of financial assets:		
Cash and cash equivalents	**$ 18,779,034**	51,322,717
Accounts receivable - Net	**87,326,655**	81,270,823
Due from Related Party	**324,841,793**	262,197,500
Payables to officers and employees	**1,416,496**	2,362,980
Deposits in guarantee	**6,633,908**	7,307,784
Other receivables	**156,600**	10,436
	$ 439,154,486	404,472,240
Carrying amount of financial liabilities:		
Accounts payable	**$ 7,688,644**	9,940,188
Due to Related Party	**228,042,949**	223,927,522
Accrued expenses and taxes*	**2,588,169**	3,342,641
Lease liabilities	**10,279,689**	35,145,401
	$ 248,599,451	272,355,752

*It includes provision for expenses, provision for salary and provisions against employee advances.

b. Financial risk management

The Company's activities expose it to a variety of financial risks i.e. market risk, credit risk and liquidity risk. The Company operates a risk management policy and program that performs close monitoring of and responding to each risk factors. Following are the financial risk factors.

(a) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables.

Trade receivable

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Details of concentration of revenue are included in Note 3 (l) under the Significant accounting policies.

Average credit period for trade receivables ranges from 45-60 days and no interest is charged on overdue receivables. The Company uses a practical expedient by computing the expected credit loss (ECL) allowance for trade receivable based on a provision matrix which considers historical credit loss experience and adjusted for forward looking experience. The impact of the ECL model is disclosed in Note 5 Trade receivables.

The Company has a revenue arrangement with its parent company, wherein it acts as a sub-contractor to its Parent for all external contracts with customers and all the risk of these contracts are transferred to the parent company.

Cash and cash equivalents

The Company maintains its cash and cash equivalents with bank having good reputation and high-quality credit rating.

(b) 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 have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below provides details regarding the contractual maturities of significant financial liabilities as on December 31, 2024. The amounts are gross and undiscounted.

Particulars	Carrying value	Less than 1 year
Accounts payable	$ 7,688,644	7,688,644
Related Parties	228,042,949	228,042,949
Accrued expenses and taxes	2,588,169	2,588,169
Lease liabilities	10,279,689	10,279,689
	$ 248,599,451	248,599,451

The table below provides details regarding the contractual maturities of significant financial liabilities as on December 31, 2023:

Particulars	Carrying value	Less than 1 year	1-3 Years
Accounts payable	$ 9,940,188	9,940,188	-
Due to Related Party	223,927,522	223,927,522	-
Accrued expenses and taxes	3,342,641	3,342,641	-
Lease liabilities	35,145,401	25,277,243	9,868,158
	$ 272,355,752	262,487,594	9,868,158

(C) Market risk

Market risk is the risk that changes in market prices - e.g. foreign exchange rates, interest rates and equity prices -will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

	2024			2023		
	USD	CAD	EUR	USD	CAD	EUR
Cash and cash equivalents	**$ (334,806)**	**-**	**2325**	150,488	-	
Accounts receivable - Net	**166,954**	**-**	**-**	225,478	-	-
Related Party receivables	**442,181**	**-**	**-**	317,873	-	-
Accounts payable	**(9,621)**	**-**	**-**	(58,934)	-	(28,567)
Related Party payable	**(4,629,512)**	**2,215**		13,065,552	(47,041)	-
Net statement of financial position exposure	**$ (4,364,804)**	**2,215**	**2,325**	13,700,457	(47,041)	(28,567)

The following significant exchange rates have been applied:

	Average rate		Year end spot rate	
	2024	**2023**	**2024**	**2023**
USD 1	**18.3**	17.7	**20.8**	16.9
CAD 1	**19.8**	19.1	**21.6**	18.7
EUR 1	**13.3**	13.1	**14.4**	12.8

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar, EUR and CAD by 1% against the functional currency at December 31, would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and income by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Income		Equity, net of tax	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
USD (1% movement)	$ (43,648)	43,648	43,648	(43,648)
EURO (1% movement)	23	(23)	(23)	23
CAD (1% movement)	22	(22)	22	22

16. Recently issued financial reporting standards-

The Consejo Mexicano de Normas de Información Financiera y de Sostenibilidad, A. C. (CINIF) has issued the FRS and Improvements listed below:

FRS A-2 Uncertainties about Going Concern- It becomes effective for periods beginning on or after January 1, 2026, allowing for early adoption. It establishes the requirements applicable to an entity when it is a going concern or when it is not a going concern, as mentioned below:

If it is a going concern, it must use the FRS as a whole for the preparation of its financial statements and, according to the assumption in which it is located among those mentioned here, it is required to:

- Going concern without significant uncertainties: No explicit disclosure is necessary in this regard;
- Going concern with significant uncertainties: disclose the significant uncertainties, mitigation actions, and judgments and assumptions used by management as part of the assessment of the entity's ability to continue as a going concern; or
- Going concern in legal reorganization: disclose that the entity is in the process of legal reorganization and, in terms of presentation, in the statement of financial position, it is required to separate the liabilities subject to agreement, while in the statement of comprehensive income, it is required to separate the effects of gain or loss because of the reorganization.

Management estimates that the adoption of this new NIF will not generate significant effects.

Improvements to FRS 2024 and 2025

In December 2023 and 2024, the CINIF issued the documents titled "Improvements to FRS 2025" and "Improvements to FRS 2024," respectively, which contain specific modifications to some existing FRS. The main improvements that result in accounting changes are as follows:

FRS A-1 Conceptual Framework of Financial Reporting Standards - Effective for periods beginning on or after January 1, 2025, allowing for early adoption starting in 2024 if the disclosures of the specific FRS applicable to the type of entity are adopted early. It includes the definition of public interest entities and requires disclosure of whether the entity is considered a public interest entity or a non-public interest entity. It divides the disclosure requirements of the FRS into: i) disclosures applicable to all entities in general (public interest entities and non-public interest entities), and ii) additional mandatory disclosures only for public interest entities. Management estimates that the adoption of this improvement to the FRS will not generate significant effects.

FRS B-15 Foreign Currency Translation - Effective for periods beginning on or after January 1, 2025, allowing for early adoption in 2024. Any changes generated must be recognized in accordance with FRS B-1. It establishes the applicable standards for currency interchangeability. Management estimates that the adoption of this improvement to the FRS will not generate significant effects.

FRS C-6 Property, Plant, and Equipment - Effective for periods beginning on or after January 1, 2025, allowing for early adoption in 2024. Any changes generated must be recognized in accordance with FRS B-1. This improvement eliminates the special depreciation method as another alternative depreciation method and includes the description of each depreciation method in the FRS. Management estimates that the adoption of this improvement to the FRS will not generate significant effects.

17. Contingencies

(a) In accordance with Mexican tax law, the tax authorities are empowered to examine transactions carried out during the five years prior to the most recent income tax return filed.

(b) The Company is involved in several claims arising in the normal course of business from labor obligations. It is expected that the outcome of these matters will not have significant adverse effects on the Company's financial position and income.

Signed by-

Archit Asok
(Manager and Secretary)

Signed by-

Rajasekhar Venkata Prabhakara Kosuri
(Board of Manager)

Date: April 21, 2025

TECH MAHINDRA SPAIN S.L.

Management Certified Financial Statements for the year ended 31st March, 2025

Directors

Mr. Darold Johannin Ochoa Fernandez – Appointed on 17th Feb 2025
Mr. Venkateswara Rao Gajjala
Mr. Suresh Babu Veerasamy – Appointed on 4th July 2024
Mrs. Arregui Saez Idoya – Resigned on 17th Feb 2025
Mr. Mandar Vasant Bhairavkar – Resigned on 4th July 2024

Registered office
C/ Estrella Denebola 8 Planta 2 28045 Madrid

Bankers
BNP PARIBAS S.A. SUCURSAL EN ESPANA

ABBREVIATED BALANCE SHEET AS OF MARCH 31, 2025 AND 2024

(Expressed in euros)

ASSETS	NOTES	31/03/2025	31/03/2024
NON-CURRENT ASSETS		**126.300,41**	-
Intangible fixed assets	5	**26.718,15**	-
Property, plant and equipment	5	**99.582,26**	-
CURRENT ASSET		**8.379.630,30**	15.095,62
Trade receivables and other receivables		**6.212.560,05**	5.972,92
Customers by sales and services	6	**5.603.922,93**	-
Other debtors	6 and 9	**608.637,12**	5.972,92
Short-term accruals		**3.044,94**	-
Cash and other cash equivalents	6	**2.164.025,31**	9.122,70
TOTAL ASSETS		**8.505.930,71**	15.095,62
EQUITY AND LIABILITIES			
EQUITY		**499.075,63**	(22.493,43)
Capital		**63.514,50**	47.938,00
Deeded capital	8	**63.514,50**	47.938,00
Reserves	8	**(42.334,63)**	(49.348,74)
Profit for the year	3	**477.895,76**	(21.082,69)
CURRENT LIABILITIES		**8.006.855,08**	37.589,05
Short-term debts		**323,15**	29.291,95
Other short-term debts	7	**323,15**	29.291,95
Short-term debts with group companies and associates	7 and 11	**3.000.000,00**	-
Trade Receivables and Other Payables		**4.368.787,90**	8.297,10
Other creditors	7 and 9	**4.368.787,90**	8.297,10
Short-term accruals		**637.744,03**	
TOTAL NET WORTH AND LIABILITIES		**8.505.930,71**	15.095,62

The Company's Abbreviated Annual Accounts, which form a single unit, comprise this Abbreviated Balance Sheet, the Abbreviated Profit and Loss Account and the attached Abbreviated Annual Report consisting of 13 notes.

ABBREVIATED PROFIT AND LOSS ACCOUNT AS OF MARCH 31, 2025 AND 2024

(Expressed in euros)

PROFIT AND LOSS ACCOUNT	NOTES	31/03/2025	31/03/2024
Net turnover	10.1	**14.811.405,13**	-
Personnel costs	10.2	**(7.619.022,32)**	-
Other operating expenses	10.3	**(6.447.677,36)**	(21.082,69)
Depreciation of fixed assets	5	**(26.939,77)**	-
Other results		**(18.689,18)**	-
OPERATING PROFIT		**699.075,95**	(21.082,69)
Financial expenses		**(44.346,58)**	-
Exchange Differences		**(5.708,61)**	-
Financial Result		**(50.055,19)**	-
Profit Before Tax		**649.020,76**	(21.082,69)
Taxes on profits	9	**(171.125,00)**	-
Result Of The Year		**477.895,76**	(21.082,69)

The Company's Abbreviated Annual Accounts, which form a single unit, comprise this Abbreviated Balance Sheet, the Abbreviated Profit and Loss Account and the attached Abbreviated Annual Report consisting of 13 notes.

NOTES TO FINANCIAL STATEMENTS AS OF MARCH 31, 2025 AND 2024

NOTE 1. COMPANY ACTIVITY

a) Incorporation and registered office

The company TECH MAHINDRA SPAIN S.L. (hereinafter "the Company") was incorporated on April 16, 2018. It is a company incorporated in Spain in accordance with the Capital Companies Act.

Its registered office is located at C/ ESTRELLA DE NEBOLA NUMERO 8, PLANTA 2, PUERTA B. MADRID 28-MADRID.

b) Activity

The corporate purpose of the company, in accordance with its bylaws, consists of the supply, ownership, conception, creation, design, customization, manufacture, modification, operation, maintenance, obtaining and marketing of different types of applications and technological products including software and hardware solutions, telecommunications and computer networks.

The code of the economic activity corresponding to the activity that is part of the corporate purpose according to the National Classification of Economic Activities (CNAE), is 6209, which corresponds to the activity of Other services related to information and computer technologies.

c) Financial year and registration data

The Company's fiscal year begins on April 1 of each year and ends on March 31 of the following year.

The Company is registered in the Mercantile Registry of Madrid, Volume 40153, Book 0, Section 8, Folio 144, Page M-713577, entry 1, and with Tax Identification Number B88560180.

(d) Legal regime

The Company is governed by its bylaws and by the current Consolidated Text of the Capital Companies Act, approved by Royal Legislative Decree 1/2010, of 2 July.

NOTE 2. BASIS FOR THE PRESENTATION OF THE ANNUAL ACCOUNTS

a) Regulatory framework for financial reporting applicable to the company

These Annual Accounts have been prepared by the Board of Directors in accordance with the regulatory framework for financial reporting applicable to the Company, which is that established in:

a) Commercial Code and the rest of the commercial legislation.

b) General Accounting Plan approved by Royal Decree 1514/2007 and the amendments incorporated thereto by Royal Decree 1159/2010, Royal Decree 602/2016 and Royal Decree 1/2021.

c) The mandatory standards approved by the Institute of Accounting and Auditing of Accounts in development of the General Accounting Plan and its complementary standards.

d) The rest of the applicable Spanish accounting regulations.

b) True image

The annual accounts for the year ended 31 March 2025 have been obtained from the Company's accounting records and have been prepared in accordance with current commercial legislation and the rules established in the General Accounting Plan approved by Royal Decree 1514/2007, of 16 November, applying the amendments introduced thereto by Royal Decree 1159/2010. of 17 September, Royal Decree 602/2016, of 2 December, Royal Decree 1/2021, of 12 January, and the rest of the legal provisions in force in accounting matters, in order to show a true and fair view of the Company's assets, financial situation and results.

The accompanying annual accounts include the balance sheet, the profit and loss account and the annual report. These documents form a unit and have been drafted in accordance with the provisions of the Commercial Code, the consolidated text of the Capital Companies Act and the General Accounting Plan, in particular, on the basis of the Conceptual Framework of Accounting.

(c) Comparison of information

In accordance with commercial legislation, those corresponding to the previous financial year are presented for comparison purposes with each of the items in the abbreviated balance sheet, in addition to the figures for the 2024 financial year. The annual accounts also include quantitative information for the previous year. The items for both years are comparable and homogeneous.

d) Changes in accounting criteria

The first application of the amendments introduced in the General Accounting Plan by Royal Decree 1/2021, of 12 January, mainly relating to the rules for the recording and valuation of financial instruments and the recognition of revenue, has not had any impact as of 1 April 2025.

(e) Financial statements

In accordance with current commercial legislation, the Company presents abbreviated annual accounts and, consequently, the statement of changes in equity and the statement of cash flows are not presented and no management report is formulated.

(f) Fair value

It is the price that would be received for the sale of an asset or paid to transfer or cancel a liability through an orderly transaction between market participants at the valuation date. Fair value shall be determined without making any deduction for transaction costs that may be incurred as a result of disposal or disposal by other means. In no case will fair value be the result of a forced or urgent transaction or as a result of an involuntary liquidation situation.

Fair value is estimated for a certain date and, since market conditions may vary over time, that value may be inappropriate for another date. In addition, when estimating fair value, the company shall take into account the conditions of the asset or liability that market participants would take into account when pricing the asset or liability at the valuation date. Such specific conditions include, but are not limited to, in the case of assets, the following:

a. The state of conservation and location, and

b. Restrictions, if any, on the sale or use of the asset.

The estimation of the fair value of a non-financial asset shall take into account the ability of a market participant to generate economic benefits at its maximum and best use or, alternatively, through its sale to another market participant who would use the asset at its maximum and best use.

In the fair value estimate, it will be assumed that the transaction to sell the asset or transfer the liability is carried out:

a. Between interested and duly informed parties, in a transaction under conditions of mutual independence,

b. In the main market for the asset or liability, understood as the market with the highest volume and level of activity, or

c. In the absence of a main market, in the most advantageous market to which the company has access for the asset or liability, understood as the one that maximizes the amount that would be received for the sale of the asset or minimizes the amount that would be paid for the transfer of the liability, after taking into account transaction costs and transportation expenses.

Unless proven otherwise, the market in which the company would normally enter into a sale of the asset or transfer of the liability is presumed to be the main market or, in the absence of a main market, the most advantageous market.

Transaction costs do not include transportation costs. If location is a characteristic of the asset (as may be the case, for example, of a listed commodity), the price in the main (or most advantageous) market will be adjusted for the costs, if any, that would be incurred to transport the asset from its present location to that market.

In general, fair value shall be calculated by reference to a reliable market value. In this sense, the price quoted in an active market will be the best reference of fair value, an active market being understood as one in which the following conditions are met:

a. The goods or services negotiated are homogeneous;

b. Buyers and sellers can meet, practically at any time, willing to exchange goods or services; and

c. Prices are public and regularly accessible, reflecting transactions with sufficient frequency and volume.

For those elements for which there is no active market, fair value will be obtained, where appropriate, through the application of valuation models and techniques. Valuation models and techniques include the use of references to recent transactions under conditions of mutual independence between interested parties and duly informed, if available, as well as references to the fair value of other assets that are substantially the same, discounting methods of estimated future cash flows and models generally used to value options.

In any case, the valuation techniques used should be consistent with the methodologies accepted and used by the market for pricing, and the one that has been shown to obtain more realistic price estimates should be used, if any. And they should take into account the use of observable market data and other factors that their participants would consider when setting the price, limiting as much as possible the use of subjective considerations and unobservable or non-verifiable data.

The company shall evaluate the effectiveness of the valuation techniques it uses on a regular basis, using as a reference the observable prices of recent transactions in the same asset being valued or using prices based on observable market data or indices that are available and applicable.

In this way, a hierarchy is deduced in the variables used in the determination of fair value and a fair value hierarchy is established that allows the estimates to be classified into three levels:

- Level 1: estimates that use unadjusted quoted prices in active markets for identical assets or liabilities, which the Company can access at the valuation date.

- Level 2: estimates using prices quoted in active markets for similar instruments or other valuation methodologies in which all significant variables are based on directly or indirectly observable market data.

- Level 3: Estimates in which some significant variable is not based on observable market data.

A fair value estimate is classified at the same level of fair value hierarchy as the lower-level variable that is significant to the valuation result. For these purposes, a significant variable is one that has a decisive influence on the result of the estimate. In assessing the importance of a particular variable for the estimation, the specific conditions of the asset or liability being measured shall be taken into account.

The fair value of a financial instrument must include, among others, credit risk and, in the specific case of a financial liability, the risk of default of the company will be considered, which includes, among other components, the company's own credit risk. However, no adjustments for market volume or capacity should be made to estimate fair value.

Where fair value valuation is applicable, assets and liabilities that cannot be reliably measured, either by reference to a market value or by applying the valuation models and techniques set out above, shall be measured, as appropriate, at their amortized cost or at their acquisition price or cost of production; reduced, where appropriate, by the corrective items of value that may correspond, mentioning in the report this fact and the circumstances that motivate it.

The fair value of an asset or liability, for which there is no unadjusted quoted price of an identical asset or liability in an active market, can be reliably measured if the variability in the range of estimates of the fair value of the asset or liability is not significant or the probabilities of the different estimates, within that range, they can be reasonably assessed and used in the measurement of fair value.

(g) Currency of presentation

In accordance with current legal regulations on accounting, the abbreviated annual accounts are presented expressed in euros.

(h) Going concern principle

As of March 31, 2025, there is an equity imbalance as the Net Equity figure is an amount less than half of the share capital.

However, the annual accounts for the 2024-2025 financial year have been prepared in accordance with the going concern principle, given that the Company estimates that it will generate cash flows in its operating activities, which will allow it to assume amounts recorded as current liabilities as of March 31, 2025.

NOTE 3. APPLICATION OF RESULTS

The proposal for the distribution of the result for the financial years 2025 and 2024, formulated by the Directors, is as follows, in euros:

	31/03/2025	31/03/2024
Basis of distribution		
Profit for the year	**477.895,76**	(21.082,69)
	477.895,76	(21.082,69)
Application to:		
Legal reserve	**12.702,90**	-
Voluntary bookings	**465.192,86**	-
A negative result from previous years	**-**	(21.082,69)
	477.895,76	(21.082,69)

NOTE 4. RECORDING AND VALUATION RULES

The main valuation standards used by the Company in the preparation of its Annual Accounts for the 2025 financial year, in accordance with those established by the General Accounting Plan, have been as follows:

(a) Property, plant and equipment

Property, plant and equipment is valued at its acquisition price or cost of production, net of the corresponding accumulated depreciation and, where applicable, the accumulated amount of the impairment allowances recognized.

Conservation and maintenance expenses incurred during the year are charged to the Profit and Loss Account. The costs of renewing, extending or improving property, plant and equipment, which represent an increase in capacity, productivity or an extension of useful life, are capitalized as an increased value of the corresponding assets, once the carrying amounts of the items that have been replaced have been deregistered.

Property, plant and equipment, net of the residual value of the property, is depreciated by distributing the cost of the different items that make up the fixed assets over the years of estimated useful life that constitute the period in which the Company expects to use them.

The investments made by the Company in leased premises, which are not separable from the leased asset, are amortized according to their corresponding economic lives, given that in the opinion of the Company's Joint and Several Directors there will be no impact on the renewals of the corresponding lease contracts.

The carrying amount of an item of property, plant and equipment is derecognized from the accounts due to its disposal or disposal by other means; or when no future economic benefits or returns are expected to be obtained from their use, disposal or disposal by other means.

The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net amount, if any, of the costs of sale obtained from its disposal or disposal by other means, if any, and the carrying amount of the item, and is charged to the Profit and Loss Account for the year in which it occurs.

At the end of the year, the Company assesses whether there are indications of impairment of an item of property, plant and equipment or of any cash-generating unit, in which case the recoverable amounts are estimated and the necessary valuation adjustments are made.

An impairment loss on an item of property, plant and equipment is understood to exist when its carrying amount exceeds its recoverable amount, understood as the greater of its fair value less costs of sale and its value in use.

Impairment allowances on property, plant and equipment, as well as their reversal when the circumstances that gave rise to them cease to exist, are recognized as an expense or income, respectively, in the Profit and Loss Account. The reversal of impairment is limited to the carrying amount of the fixed assets that would be recognized on the date of reversal if the impairment had not been recorded.

(b) Financial instruments

The Company only recognizes a financial instrument on its balance sheet when it becomes an obligated party to the contract or legal transaction in question, in accordance with the provisions of the contract.

The Company determines the classification of its financial assets at the time of their initial recognition and, where permitted and appropriate, is revalued at each balance sheet closing.

Financial assets, for the purposes of their valuation, will be classified into one of the following categories:

1. Financial assets at fair value with changes in the income statement.
2. Financial assets at amortized cost.
3. Financial assets at fair value with changes in equity.
4. Financial assets at cost.

Financial instruments issued, incurred or assumed are classified as financial liabilities, in whole or in part, provided that, in accordance with their economic reality, they imply a direct or indirect contractual obligation for the Company to deliver cash or other financial assets, or to exchange financial assets or liabilities with third parties under potentially unfavourable conditions.

Financial liabilities, for the purposes of their measurement, are classified into one of the following categories:

1. Financial liabilities at fair value through profit and loss
2. Financial liabilities at amortized cost.

Financial instruments, for the purposes of their nature, shall be classified into one of the following categories:

a. Financial assets

- Cash and other cash equivalents;
- Receivables for commercial operations: miscellaneous customers and debtors;
- Credits to third parties: such as loans and financial credits granted, including those arising from the sale of non-current assets;
- Debt securities of other companies acquired: such as debentures, bonds and promissory notes;
- Equity instruments of other companies acquired: shares, units in collective investment schemes and other equity instruments;

- Derivatives with a favorable valuation for the company: including futures or forward transactions, options, financial swaps and forward purchase and sale of foreign currency, and

- Other financial assets: such as deposits in credit institutions, loans to staff, guarantees and deposits, dividends receivable and disbursements required on equity instruments.

b. Financial liabilities

- Debits for commercial transactions: suppliers and miscellaneous creditors;

- Debts with credit institutions;

- Debentures and other negotiable securities issued: such as bonds and promissory notes;

- Derivatives with an unfavourable valuation for the company: including futures or forward transactions, options, financial swaps and forward purchase and sale of foreign currency;

- Debts with special characteristics;

- Other financial liabilities: debts to third parties, such as financial loans and credits received from persons or companies that are not credit institutions, including those arising from the purchase of non-current assets, guarantees and deposits received and disbursements demanded by third parties on shares.

- Equity instruments

- All financial instruments that are included in equity, such as issued ordinary shares or shares in the share capital.

Financial assets at amortized cost

A financial asset is included in this category, even when it is admitted to trading on an organised market, if the Company holds the investment with the aim of receiving the cash flows derived from the performance of the contract, and the contractual terms of the financial asset give rise, on specified dates, to cash flows that are only principal and interest collections on the outstanding principal amount.

Contractual cash flows that are only principal and interest collections on the outstanding principal amount are inherent in an agreement that has the nature of an ordinary or common loan, without prejudice to the fact that the transaction is agreed at a zero or below-market interest rate.

This category includes:

1. Receivables for commercial operations: financial assets arising from the sale of goods and the provision of services by traffic operations, and

2. Credits for non-commercial transactions: financial assets that, not being equity instruments or derivatives, do not have a commercial origin, whose collections are of a determined or determinable amount.

Financial liabilities at amortized cost

This category includes:

1. Debits for commercial operations: financial liabilities arising from the purchase of goods and services for traffic operations, and

2. Debits for non-commercial transactions: financial liabilities that, not being derivative instruments, do not have a commercial origin, but come from loan or credit operations received by the Company.

Initial assessment

Initially, the financial assets and liabilities included in this category are measured at their fair value, which is the transaction price, which is equivalent to the fair value of the consideration delivered plus the transaction costs that are directly attributable to them.

Notwithstanding the provisions of the previous paragraph, credits and debits for commercial transactions with a maturity of no more than one year and which do not have a contractual interest rate, as well as, where appropriate, advances and credits to staff, dividends receivable and disbursements required on equity instruments, the amount of which is expected to be received in the short term, and disbursements demanded by third parties on shareholdings, the amount of which is expected to be paid in the short term, are measured at their nominal value when the effect of not discounting cash flows is not significant.

Subsequent assessment

In subsequent valuations, both assets and liabilities are valued at their amortized cost. Accrued interest is recognized in the profit and loss account, applying the effective interest rate method. Notwithstanding the foregoing, credits and debits with a maturity of no more than one year that were initially measured at their nominal value continue to be measured at that amount, except, in the case of credits, which have been impaired.

Impairment of financial assets at amortized cost

At least at the end of the financial year, the necessary valuation adjustments are made whenever there is objective evidence that the value of a financial asset, or of a group of financial assets with similar risk characteristics measured collectively, has been impaired as a result of one or more events that have occurred after its initial recognition and that cause a reduction or delay in estimated future cash flows. which may be motivated by the insolvency of the debtor.

The impairment loss on these financial assets is the difference between their carrying amount and the present value of future cash flows, including, where applicable, those arising from the enforcement of collateral and personal guarantees, which they are estimated to generate, discounted at the effective interest rate calculated at the time of their initial recognition. For financial assets with a variable interest rate, the effective interest rate corresponding to the date of closing the annual accounts is used in accordance with the contractual conditions. Models based on statistical formulas or methods may be used in the calculation of impairment losses for a group of financial assets.

Impairment allowances, as well as their reversal when the amount of such loss decreases due to causes related to a subsequent event, are recognized as an expense or income, respectively, in the income statement. The reversal of impairment is limited to the carrying amount of the asset that would be recognized on the date of reversal if the impairment had not been recorded.

However, as a substitute for the present value of future cash flows, the market value of the instrument may be used, provided that it is sufficiently reliable to be considered representative of the value that the Company could recover.

The recognition of interest in financial assets with credit impairment shall follow the general rules, without prejudice to the fact that the Company must simultaneously assess whether such amount will be subject to recovery and, if applicable, account for the corresponding impairment loss.

Deregistration of financial assets

The Company derecognizes a financial asset, or part thereof, when the contractual rights to the cash flows of the financial asset expire or have been transferred and the risks and rewards inherent in its ownership have been substantially transferred, in circumstances that are assessed by comparing the Company's exposure, before and after the transfer, to the change in the amounts and timing of the net cash flows of the transferred asset. The risks and rewards inherent in the ownership of the financial asset are deemed to have been substantially transferred when their exposure to such change is no longer significant in relation to the total change in the present value of the net future cash flows associated with the financial asset.

If the Company has not substantially assigned or retained the risks and benefits, the financial asset will be derecognized when it has not retained control of it, a situation that will be determined depending on the unilateral capacity of the transferee to transfer said asset, in full and without imposing conditions, to an unrelated third party. If the transferring company retains control of the asset, it will continue to recognize it for the amount to which the company is exposed to changes in the value of the transferred asset, i.e. for its continued involvement, and will recognize an associated liability.

When the financial asset is derecognized, the difference between the consideration received net of attributable transaction costs, considering any new assets obtained minus any liabilities assumed, and the carrying amount of the financial asset, determines the gain or loss arising from the derecognition of the asset, and forms part of the profit or loss for the year in which the derecognition occurs.

The above criteria shall also apply to transfers of a group of financial assets or part thereof.

The Company does not derecognize financial assets and recognizes a financial liability for an amount equal to the consideration received, in the assignments of financial assets in which it has substantially retained the risks and rewards inherent in its ownership, such as in the discounting of bills, “factoring with recourse”, sales of financial assets with a repurchase agreement at a fixed price or at the sale price plus interest and securitisations of financial assets in which the ceding company retains subordinated financing or other types of collateral that substantially absorb all expected losses.

Derecognition of financial liabilities

The Company recognizes a financial liability, or part thereof, when the obligation has been extinguished; that is, when it has been satisfied, cancelled or has expired. It also recognizes the own financial liabilities that it acquires, even if it is with the intention of relocating them in the future.

If there is an exchange of debt instruments between a lender and a borrower, provided that they have substantially different conditions, the original financial liability shall be recognized and the new financial liability arising shall be recognized. In the same way, there will be a substantial modification of the current conditions of a financial liability.

The difference between the carrying amount of the financial liability or the part of it that has been derecognized and the consideration paid, including any costs or fees incurred and which also includes any transferred assets other than the cash or liabilities assumed, is recognized in the income statement for the year in which it occurs.

In the case of an exchange of debt instruments that do not have substantially different terms, the original financial liability is not derecognized from the balance sheet. Any transaction costs or fees incurred adjust the carrying amount of the financial liability. From that date, the amortized cost of the financial liability is determined by applying the effective interest rate that equals the carrying amount of the financial liability with the cash flows payable under the new conditions.

Bonds Provided

Deposits or guarantees constituted as security for certain obligations are valued at the amount actually paid, which does not differ significantly from their fair value.

In the case of bonds given or received for operating leases or for the provision of services, the difference between their fair value and the amount paid (due, for example, to the fact that the deposit is long-term and not remunerated) is considered as an advance payment or collection for the lease or provision of the service, which is charged to the profit and loss account during the lease period. in accordance with the provisions of the rule on leases and other operations of a similar nature, or during the period in which the service is provided, in accordance with the rule on income from sales and provision of services.

When estimating the fair value of the bonds, the remaining period is taken as the minimum contractual period committed during which the amount cannot be repaid, without taking into account the statistical behavior of the refund.

When the guarantee is short-term, it is not necessary to discount cash flows if its effect is not significant.

(c) Inventories

Inventories are valued at their acquisition price, cost of production or net realizable value, whichever is lower. Commercial discounts, rebates obtained, other similar items and interest incorporated into the nominal amount of the debits are deducted in the determination of the acquisition price.

The cost of production includes direct material costs and, where applicable, direct labor costs and manufacturing overheads.

The net realizable value represents the estimate of the sales price minus all the estimated costs to complete its manufacture and the costs that will be incurred in the marketing, sale and distribution processes.

In assigning value to its inventories, the Company uses the FIFO method.

The Company makes the appropriate valuation adjustments, recognizing them as an expense in the Profit and Loss account when the net realizable value of the inventories is lower than their acquisition price (or their cost of production).

(d) Balances and transactions in foreign currency

Transactions in foreign currency are recorded in accounting for their equivalent value in euros, using the exchange rates in force on the dates on which they are made. Gains or losses on exchange differences arising from the cancellation of balances from foreign currency transactions are recognized in the income statement at the time they occur.

The balances denominated in foreign currency as of March 31, 2025 correspond to the exchange rates in force applied on that date, with unrealized net exchange losses or gains being recognized as expenses or income.

(e) Cash and other equivalent assets

Cash and cash equivalents include cash on hand and demand bank deposits with credit institutions.

The balances denominated in foreign currency as of March 31, 2025 correspond to the exchange rates in force applied on that date, with unrealized net foreign exchange losses or gains being recognized as expenses or income.

(f) Taxes on profits

Income tax is recorded in the Profit and Loss Account or directly in Equity, depending on where the gains or losses that have originated it are recorded. The income tax for each year includes both current tax and deferred taxes, if applicable.

The amount of current tax is the amount to be paid by the Company as a result of the tax settlements.

The differences between the carrying amount of assets and liabilities, and their tax basis, generate the deferred tax balances of assets or liabilities that are calculated using the tax rates expected at the time of their reversal, and in accordance with the way in which the asset or liability is rationally expected to be recovered or paid.

The changes produced in the year in the deferred taxes of assets or liabilities are recorded in the Income Statement or directly in Equity, as appropriate.

(g) Income and expenditure

Income and expenses are allocated according to the accrual criterion, i.e. when the actual flow of goods and services that they represent occurs, regardless of the time at which the monetary or financial flow derived from them occurs.

Income from the sale of goods and the provision of services is measured at the fair value of the consideration received, received or receivable, derived therefrom, which, unless there is evidence to the contrary, is the agreed price for such goods or services, less the amount of any discount, price reduction or other similar items that the Company may grant, as well as the interest incorporated into the nominal amount of the credits.

However, the Company does not include as income the interest incorporated in trade credits with a maturity of less than one year, since the effect of their updating is not significant.

Revenue from the provision of services is recognized when the result of the transaction can be reliably estimated, taking into account the percentage of performance of the service at the year-end date. Consequently, income from the provision of services is only accounted for when each and every one of the following conditions is met:

a) The amount of revenue can be reliably measured.

b) The Company is likely to receive the benefits or economic returns derived from the transaction.

c) The degree of completion of the transaction, at the year-end date, can be reliably assessed.

d) The costs already incurred in the service, as well as those that remain to be incurred until it is completed, can be reliably assessed.

h) Provisions and contingencies

The Company's Directors in the preparation of the Annual Accounts differentiate between:

a) Provisions: credit balances that cover current obligations arising from past events, the cancellation of which is likely to cause an outflow of resources, but which are indeterminate as to their amount and/or time of cancellation.

b) Contingent liabilities: possible obligations arising as a result of past events, the future materialization of which is conditional on the occurrence or non-occurrence of one or more future events independent of the Company's will.

(i) Related-party transactions

In general, items that are the subject of a related-party transaction are initially accounted for at fair value. Where appropriate, if the price agreed in a transaction differs from its fair value, the difference shall be recorded in accordance with the economic reality of the transaction. The subsequent valuation is carried out in accordance with the provisions of the corresponding regulations.

NOTE 5. TANGIBLE AND INTANGIBLE FIXED ASSETS

The breakdown and movement of property, plant and equipment during the year ended March 31, 2025 is as follows:

	Balance as of 31/03/2024	Add	Transfers	Balance as of 31/03/2025
Cost:				
Machinery	-	-	59.858,47	**59.858,47**
Furniture	-	-	222.146,24	**222.146,24**
Information processing equipment	-	-	203.911,16	**203.911,16**
Other property, plant and equipment	-	-	66.904,24	**66.904,24**
Total cost	-	-	552.820,11	**552.820,11**
Accumulated Amortization:				
Machinery	-	(1.374,86)	(56.487,35)	**(57.862,21)**
Furniture	-	(5.721,75)	(153.485,62)	**(159.207,37)**
Information processing equipment	-	(9.898,37)	(193.942,93)	**(203.841,30)**
Other property, plant and equipment	-	(3.518,94)	(28.808,03)	**(32.326,97)**
Total accumulated amortization	-	(20.513,92)	(432.723,93)	**(453.237,85)**
Net property, plant and equipment	-	(20.513,92)	120.096,18	**99.582,26**

During the year ended March 31, 2024, there were no fixed assets items to report on.

The breakdown and movement of intangible fixed assets during the year ended March 31, 2025 is as follows:

	Balance as of 31/03/2024	Add	Transfers	Balance as of 31/03/2025
Cost:				
Computer applications	-	33.144,00	-	**33.144,00**
Total cost				
Accumulated Amortization:				
Computer applications	-	(6.425,85)	-	**(6.425,85)**
Total accumulated amortization	-	26.718,15	-	**26.718,15**
Net intangible fixed assets	-	26.718,15	-	**26.718,15**

During the year ended March 31, 2024, there were no fixed assets items to report on.

NOTE 6. FINANCIAL ASSETS

The breakdown of financial assets as of March 31, 2025 and 2024 is as follows:

	31/03/2025	31/03/2024
	Credits and others	Credits and others
Short term		
Trade receivables and other receivables (Note 6.2)	**6.212.560,05**	5.972,92
Cash and other liquid assets (Note 6.1)	**2.164.025,31**	9.122,70
Total	**8.376.585,36**	15.095,62

6.1) Cash and cash equivalents

The breakdown of these assets as of March 31, 2025 and 2024 is as follows:

Cash and Equivalent Assets:	31/03/2025	31/03/2024
Bank accounts	**2.164.025,31**	9.122,70
Total	**2.164.025,31**	9.122,70

Due to their high liquidity, the fair value of the present assets coincides with their accounting value.

6.2) Trade receivables and other receivables

The composition of this heading as of 31 March 2025 and 2024 is as follows:

	Balance as of 31/03/2025	Balance as of 31/03/2024
	Short term	Short term
Commercial Credits	**5.603.922,93**	-
Trade debtors	**5.603.922,93**	-
Credits for non-commercial operations	**608.637,12**	5.972,92
Other debtors	**18.837,06**	-
Other credits with the general government	**589.800,06**	5.972,92
Total	**6.212.560,05**	5.972,92

NOTE 7. FINANCIAL LIABILITIES

The breakdown of financial liabilities as of March 31, 2025 and 2024 is as follows:

	31/03/2025	31/03/2024
	Other	Other
Short term		
Debits and payables (Note 8.1)	**7.023.273,02**	37.589,05
Total	**7.023.273,02**	37.589,05

7.1) Debits and payables

Its details as of March 31, 2025 and 2024 are as follows:

	Balance as of 31/03/2025	Balance as of 31/03/2024
	Short Term	Short Term
Debits for commercial operations	**3.382.621,23**	8.297,10
Trade creditors	**3.382.621,23**	7.622,10
Debits for non-commercial transactions	**3.986.489,82**	29.291,95
Other debts	**323,15**	29.291,95
Debts with group companies and associates	**3.000.000,00**	29.291,95
Other creditors	**227.264,64**	7.622,10
Debts with public administrations	**758.902,03**	675,00
Total	**7.369.111,05**	37.589,05

NOTE 8. EQUITY

8.1) Share Capital

On 16 April 2018, the company was incorporated with a share capital of 18,000.00 euros, consisting of 18,000 shares with a nominal value of 1 euro.

On 29 March 2023, it was agreed to increase the Company's share capital by €29,938.00, amounting to €47,938.00 , through the issuance of 29,938 new shares with a nominal value of €1 each.

On May 1, 2024, the company acquired the entity TECH MAHINDRA LIMITED SUCURSAL EN ESPAÑA by which it was agreed to increase the share capital of the Company by the amount of 15,576.00 euros, reaching 63,514.00 euros, through the issuance of 15,576 new shares of 1 euro par value each.

As of March 31, 2025, the Company's share capital is represented by 63,514 shares, with a nominal value of 1 euro each, all of them of the same class, numbers 1 to 63,514, both inclusive, and which have been subscribed and paid up in full by its Sole Shareholder, TECH MAHINDRA LIMITED. The share capital amounts to 63,514.00 euros and has the following composition:

Series Classes	No. of Holdings	Face value	Paid-up capital
Unique	63.514	1,00	63.514,00

8.2) Reserves

a) Legal reserve

According to the Capital Companies Act, the limited liability company must allocate an amount equal to 10% of the profit for the year to the legal reserve until it reaches at least 20% of the share capital. The legal reserve may

only be used to increase the share capital. Except for the purpose mentioned above, and as long as it does not exceed 20% of the share capital, this reserve may only be used to offset losses and provided that there are no other reserves available sufficient for this purpose.

As of March 31, 2025, the legal reserve was fully allocated in the proposed distribution of the result for the year.

NOTE 9. TAX SITUATION

The breakdown of the balances held with the Public Administrations as of 31 December 2025 and 2024 is as follows:

	Balance as of 31/03/2025		Balance as of 31/03/2024	
	To be Charged	**To be paid**	**To be Charged**	**To be paid**
Value Added Tax	**589.800,06**	**-**	5.972,92	(675,00)
Personal income tax withholdings	**-**	**423.659,21**	-	-
Social Security Bodies	**-**	**181.849,82**	-	-
Corporate income tax	**-**	**153.393,00**	-	-
Total	**589.800,06**	**758.902,03**	5.972,92	(675,00)

Tax situation

According to the legal provisions in force, tax assessments cannot be considered final until they have been inspected by the tax authorities or the limitation period, currently set at four years, has elapsed. Consequently, due to possible inspections, liabilities may arise in addition to those recorded by the Company. However, the Directors of the same consider that these liabilities, if they occur, would not be significant on the abbreviated annual accounts taken as a whole.

Corporate Income Tax

The current tax expense for the year ended March 31, 2025 amounts to 171,125.00 euros and results in an amount payable of 153,393.00 euros.

NOTE 10. INCOME AND EXPENSES

10.1) Net turnover

The breakdown of the accounts that make up the heading “Net turnover” of the abbreviated profit and loss account attached as of March 31, 2025 and 2024, is as follows:

	31/03/2025	**31/03/2024**
Provision of services	**14.811.405,13**	-
Total	**14.811.405,13**	-

10.2) Personnel costs

The breakdown of the accounts that make up the heading “Social Contributions” of the abbreviated profit and loss account attached to March 31, 2025 and 2024, is as follows:

	31/03/2025	**31/03/2024**
Wages and salaries	**5.778.047,01**	-
Social security	**1.490.410,43**	-
Other social charges	**27.257,26**	-
Total	**7.295.714,70**	-

10.3) Other operating expenses

The breakdown of the accounts that make up the heading “Other operating expenses” of the abbreviated profit and loss account attached to March 31, 2025 and 2024, is as follows:

	31/03/2025	31/03/2024
Independent Professional Services	**5.238.162,30**	12.896,53
Banking and similar services	**17.027,64**	126,90
Insurance premiums	**75.180,10**	-
Maintenance	**44.115,43**	-
Advertising and public relations	**20.589,49**	-
Leases and royalties	**250.390,37**	-
Supplies	**7.121,08**	-
Other services	**433.863,28**	-
Taxes and levies	**15.390,19**	8.059,26
	6.101.839,88	21.082,69

NOTE 11. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between related parties

The most significant balances with related parties as of March 31, 2025 and 2024 are detailed below:

	31/03/2025	31/03/2024
Related Party Balances	**Other Related Parties**	**Other Related Parties**
Current Liabilities:		
Deducas group companies and associates	**3.000.000,00**	-
Total	**3.000.000,00**	-

The most significant transactions carried out with related parties in the year ended March 31, 2025 and 2024 are detailed below:

	31/03/2025	31/03/2024
Related Party Transactions	**Other Related Parties**	**Other Related Parties**
Interest on debts	**44.346,58**	-
Total	**44.346,58**	

Balances and Transactions with Managers and Senior Management

During the 2025 and 2024 financial years, no loan or credit has been granted by the Company, nor have any pension and insurance payment obligations been contracted in favour of the Company’s Joint and Several Directors.

During the 2025 and 2024 financial years, the Company has not had any Senior Management staff.

Other information regarding Administrators

As of the date of preparation of the abbreviated financial statements, neither the members of the Board of Directors of TECH MAHINDRA SPAIN SL nor the persons related to them as defined in article 231 of the Capital Companies Act have communicated to the other members of the Board of Directors any situation of conflict, direct or indirect, that they may have with the interest of society.

NOTE 12. OTHER INFORMATION

12.1) Personnel

The average number of people employed in the course of the year, by category and average number of employees with a disability greater than or equal to 33% of the Company during the year ended March 31, 2025 and 2024 is as follows:

	Total		**Disability >= 33%**	
Categoría	**2024-2025**	**2023-2024**	**2024-2025**	**2023-2024**
CEOs, Managing directors and executive presidents	**3**	-	**-**	-
Other directors and managers	**1**	-	**-**	-
Technical and scientific professionals and intellectuals and support professionals	**162**	-	**1**	-
Accounting, administrative and other office employees	**1**	-	**-**	-
Commercial, sellers and similar	**3**	-	**-**	-

The distribution of the Company's staff by category and gender during the financial year ended 31 March 2025 and 2024 is as follows:

	Women		**Men**	
Categoría	**2024-2025**	**2023-2024**	**2024-2025**	**2023-2024**
Managing directors and executive presidents	-	-	3	-
Other directors and managers	-	-	1	-
Technical and scientific professionals and intellectuals and support professionals	32	-	130	-
Accounting, administrative and other clerical employees	1	-	-	-
Commercial, sellers and similar	1	-	2	-

12.2) Environmental information

During the year, no expenditure has been incurred for the protection and improvement of the environment.

Likewise, there have been no expenses or risks that have been necessary to cover with provisions for environmental actions, or contingencies related to the protection and improvement of the environment.

12.3) Information on the average payment period to suppliers

The information required by the Third Additional Provision of Law 15/2010, of 5 July (amended by the Second Final Provision of Law 31/2015, of 3 December) prepared in accordance with the ICAC Resolution of 29 January 2016, on the information to be incorporated in the annual accounts in relation to the average period of payment to suppliers in commercial transactions, is detailed below.

(Days)	31/03/2025	31/03/2024
Average payment period to suppliers	30	131

NOTE 13. POST-CLOSING EVENTS

There have been no significant events from 31 March 2025 to the date of preparation of these abbreviated annual accounts which, affecting them, had not been included in them, or the knowledge of which could be useful to a user of them.

PREPARATION OF ANNUAL ACCOUNTS

In compliance with current commercial regulations, the Directors of “TECH MAHINDRA SPAIN SL” formulate the abbreviated annual accounts for the year ended March 31, 2025, which are made up of the attached sheets.

Madrid, 26th May, 2025

Darold Johannin Ochoa Fernandez Joint director	Venkateswara Rao Gajjala Joint director	Suresh Babu Veerasamy Joint director

TECH MAHINDRA FRANCE SAS

Directors
Mr. Ly Cong Trinh Philippe
Mr. Venkata Gajjala – Resigned on 4th Sep 2024

Registered office
1 Place de la Pyramide - Tour
Atlantique - 92800 PUTEAUX

Auditor
Aca Nexia

Bankers
Citibank Europe Plc
21-25 rue Balzac, 75406,
Paris CEDEX 08 France

STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

This is a translation into English of the statutory auditor's report on the financial statements of the French Company and it is provided solely for the convenience of English speaking users.

This statutory auditor's report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the sole shareholder of Tech Mahindra France,

Opinion

In compliance with the engagement entrusted to us by the Sole Shareholder, we have audited the accompanying financial statements of Tech Mahindra France for the year ended 31 March 2025.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31 March 2025 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditor's Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence rules provided for by the French Commercial Code and by the French Code of ethics for statutory auditors, for the period from 1st April 2024 to the date of issue of our report.

Justification of Assessments

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the Commercial Code relating to the justification of our assessments, we inform you that the most important assessments we have made, in our professional judgment, have been on the appropriateness of the accounting principles applied, on the reasonableness of the significant estimates used and, on the presentation, overall accounts.

These assessments were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on specific items of the financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the documents on the financial position and the annual accounts addressed to the sole shareholder.

Pursuant to the law, we inform you that the information relating to the payment periods provided for in Article D.441-6 of the French Commercial Code are not mentioned in the management report. Consequently, we cannot attest to their sincerity and their consistency with the annual accounts.

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

Management is responsible for the preparation and the fair presentation of the financial statements in accordance with French accounting principles as well as for the implementation of the internal control that management considers 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 its activities as a going concern, for disclosing in the financial statements (if applicable) the necessary information related to going concern, and for using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the President.

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

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards 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 specified in the Article L.821-55 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit. Furthermore, the statutory auditor:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his 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;

- Obtains 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 control;

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management as well as the related disclosures provided in the financial statements;

- Assesses 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. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;

- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Paris, le 30 April 2025
The Statutory auditor,

Aca Nexia
represented
by Laurent Cazebonne

APPENDIX

PREAMBLE

The balance sheet before distribution for the year ended 31/03/2025 totaling €12,311,602 and the profit and loss account for the year showing a profit of €845,660, presented in the form of a list.

The financial year runs for 12 months, from 01/04/2024 to 31/03/2025. The following notes and tables form an integral part of the financial statements.

The previous financial year ran for 12 months, from 01/04/2023 to 31/03/2024.

KEY EVENTS OF THE YEAR

We have not identified any significant matters that should be disclosed in the notes to the financial statements.

BALANCE SHEET - ASSETS PERIOD OF 01/04/2024 TO 31/03/2025

Currency EUR

ASSETS	Current year 31/03/2025 (12 months)				Past year 31/03/2024 (12 months)	
	Brut	Depr.& prov.	Net	%	Net	%
Uncalled capital (0)						
Fixed assets						
Preliminary expenses						
Research and development expenses						
Concessions, patents and similar rights	38 772	38 772			25 848	0,16
Goodwill						
Other intangible fixed assets						
Advances and prepayments on intangible fixed assets						
Land Buildings						
Industrial fixtures, fittings, plant machinery and equipment	63 605	36 139	27 466	0,22	41 507	0,25
Other tangible fixed assets	829 268	514 375	314 893	2,56	478 144	2,94
Fixed assets in progress						
Advances and prepayments						
Long-term investments by "equivalence method"						
Other interest ownership						
Receivables related to interest ownership Capitalized securities						
Loans						
Other fixed assets	59 736		59 736	0,49	47 342	0,29
TOTAL (I)	**991 381**	**589 287**	**402 095**	**3,27**	**592 841**	**3,64**
Current assets						
Raw materials and supplies						
Work in progress of goods						
Work in progress of services						
Semi-finished and finished goods						
Goods held for resale						
Advances and down-payments to suppliers	282 996		282 996	2,30	288 415	1,77
Trade and related accounts	10 559 883	75 821	10 484 062	85,16	11 985 796	73,63
Other receivables						
. Debtors suppliers						
. Staff	25 163		25 163	0,20	60 731	0,37
. Payroll taxes	6 133		6 133	0,05		
. State, profit tax						
. State, turnover tax						
. Other	102 354		102 354	0,83	87 481	0,54
Called but unpaid capital						
Investment securities						
Cash Instruments						
Cash	1 008 799		1 008 799	8,19	3 263 628	20,05
Prepaid expenses						
TOTAL (II)	**11 985 328**	**75 821**	**11 909 507**	**96,73**	**15 686 052**	**96,36**
Charges to be spread over several periods (III)						
Premium for redemption of bonds (IV)						
Unrealized exchange losses (V)						
TOTAL ASSETS (0 à V)	**12 976 710**	**665 108**	**12 311 602**	**100,00**	**16 278 893**	**100,00**

BALANCE SHEET - EQUITY AND LIABILITIES

EQUITY AND LIABILITIES	Current year 31/03/2025 (12 months)		Past year 31/03/2024 (12 months)	
Shareholders' equity				
Share capital (paid-up capital : 99 000)	**99 000**	**0,80**	99 000	0,61
Premiums arising from shares issues, from merger	**703 968**	**5,72**	703 968	4,32
Revaluation				
Legal reserve	**9 900**	**0,08**		
Statutory reserve				
Regulated reserves				
Other reserves				
Retained (profits / losses) brought forward merger	**1 039 911**	**8,45**	629 166	3,86
Net income or loss of the tax year	**845 660**	**6,87**	420 646	2,58
Subsidies of investment				
Regulated provisions				
TOTAL(I)	**2 698 440**	**21,92**	1 852 780	11,38
Proceeds from the issuance of "participating titles"				
Conditional advances				
TOTAL(II)				
Provisions for liabilities and charges				
Reserves for contingencies				
Provisions for charges				
TOTAL (III)				
Loans and debts				
Convertible debenture loans				
Other debenture loans				
Bank borrowing and bank overdrafts				
. Bank borrowing				
. Bank overdrafts				
Other financial borrowing and debts				
. Miscellaneous				
. Partners				
Advances and down-payments for work in progress				
Trade notes and related accounts payable	**7 091 317**	**57,60**	12 051 027	74,03
Tax payable and social liabilities				
. Staff	**1 331 720**	**10,82**	1 553 041	9,54
. Payroll taxes	**404 332**	**3,28**	429 911	2,64
. State, profit tax	**119 664**	**0,97**	4 618	0,03
. State, turnover tax	**583 269**	**4,74**	310 370	1,91
. State, guaranteed bonds			23 592	0,14
. Other taxes	**51 228**	**0,42**	53 179	0,33
Liabilities on fixed assets and related accounts Other debts	**31 631**	**0,26**	373	0,00
Prepaid income				
TOTAL (IV)	**9 613 162**	**78,08**	14 426 113	88,62
Unrealized exchange gains (V)				
TOTAL LIABILITIES (I à V)	**12 311 602**	**100,00**	16 278 893	100,00

Mr. Ly Cong Trinh Philippe
Director
Date: 1st May 2025

INCOME STATEMENT

Présenté en Euros

INCOME STATEMENT			Current year 31/03/2025 (12 months)		Past year 31/03/2024 (12 months)		Variation absolute (12 / 12)	%
	France	Export	Total	%	Total	%	Variation	%
Sales of goods								
Sales of manufactured goods								
Sales of manufactured services	**36 196 621**	**-4 444**	**36 192 177**	**100,00**	32 371 144	100,00	3 821 033	11,80
Net turnover	**36 196 621**	**-4 444**	**36 192 177**	**100,00**	32 371 144	100,00	3 821 033	11,80
Stored production								
Capitalized production								
Operating subsidies								
Recaptures on deprecations and reserves, expense transfer								
Other operating income					0	0,00		
Total operating income			**36 192 177**	**100,00**	32 371 144	100,00	3 821 033	11,80
Purchase of goods (including customs duties)								
Variation on inventory (goods)								
Purchase of raw materials and other supplies (including customs duties)								
Variation in inventory (raw materials and supplies)								
Other purchases and external expenses			**20 891 804**	**57,72**	17 962 704	55,49	2 929 100	16,31
Taxes and assimilated payments			**83 166**	**0,23**	54 307	0,17	28 859	53,14
Salaries and wages expenses			**9 124 977**	**25,21**	8 576 643	26,49	548 334	6,39
Social security expenses			**4 377 392**	**12,09**	3 850 038	11,89	527 354	13,70
Operating allowances on fixed assets : depreciation allowances			**235 823**	**0,65**	216 600	0,67	19 223	8,87
Operating allowances on fixed assets : reserve allowances								
Operating allowances on current assets : reserve allowances			**-96 090**	**-0,26**	76 486	0,24	-172 576	-225,62
Operating allowances for contingencies : reserve allowances			**32 284**	**0,09**			32 284	N/S
Other expenses			**24 457**	**0,07**	722 788	2,23	-698 331	-96,61
Total operating expenses			**34 673 813**	**95,80**	31 459 568	97,18	3 214 245	10,22
OPERATING RESULT			**1 518 364**	**4,20**	911 576	2,82	606 788	66,56

INCOME STATEMENT			Current year 31/03/2025 (12 months)		Past year 31/03/2024 (12 months)		Variation absolute (12 / 12)	%
	France	Export	Total	%	Total	%	Variation	%
Attributed income or transfered loss Suffered loss or transfered profit								
Financial income from interest ownership								
Other holdings and capitalized receivables								
Other interest and assimilated income			**66 694**	**0,18**	69 828	0,22	-3 134	-4,48
Recaptures on provisions and expense transfer								
Profits on foreign exchange								
Net gains on sales of portfolio securities								
Total financial income			**66 694**	**0,18**	69 828	0,22	-3 134	-4,48
Financial allowances for depreciations and provisions								
Interests and assimilated expenses			**193 879**	**0,54**	51 677	0,16	142 202	275,17
Loss on foreign exchange			**40 094**	**0,11**	132 700	0,41	-92 606	-69,78
Net loss on sales of portfolio securities								
Total financial expenses			**233 973**	**0,65**	184 377	0,57	49 596	26,90
FINANCIAL RESULT			**-167 279**	**-0,45**	-114 548	-0,34	-52 731	-46,02
Ordinary result before tax			**1 351 085**	**3,73**	797 028	2,46	554 057	69,52
Extraordinary operating gains								
Extraordinary capital gains			**-1 155**	**0,00**			-1 155	N/S
Recaptures on reserves and expense transfers								
Total extraordinary income			**-1 155**	**0,00**			-1 155	N/S
Extraordinary operating losses					64 220	0,20	-64 220	-100,00
Extraordinary capital losses								
Depreciation and reserve extraordinary allowances								
Total extraordinary expenses					64 220	0,20	-64 220	-100,00
EXTRAORDINARY RESULT			**-1 155**	**0,00**	-64 220	-0,19	63 065	98,20
Profit sharing scheme			**226 714**	**0,63**	134 050	0,41	92 664	69,13
Income tax			**277 556**	**0,77**	178 112	0,55	99 444	55,83
Total Income			**36 257 717**	**100,18**	32 440 972	100,22	3 816 745	11,77
Total expenses			**35 412 057**	**97,84**	32 020 326	98,92	3 391 731	10,59
NET RESULT			**845 660 Profit**	**2,34**	420 646 Profit	1,30	425 014	101,04
Including leasing of furnitures								
Including leasing of real estate								

Mr. Ly Cong Trinh Philippe
Director
Date: 1st May 2025

ACCOUNTING RULES AND METHODS

GENERAL RULES

The financial statements for the year ended 31 March 2025 have been prepared in accordance with the provisions of the French Commercial Code (articles L123-12 to L123-28), ANC regulation no. 2021-01 of 19/02/2022 and the regulations of the French Accounting Regulations Committee (Comité de la Réglementation Comptable - CRC).

The accounting rules have been applied in accordance with the principles of prudence and the underlying assumptions:

- going concern,
- consistency of accounting methods over the years,
- independence of exercises,

And in accordance with the general rules governing the preparation and presentation of annual financial statements.

The basic method used to value items recorded in the accounts is the historical cost method. The main methods used are as follows:

INTANGIBLE AND TANGIBLE FIXED ASSETS

Property, plant and equipment are valued at acquisition or production cost, taking into account any costs incurred in bringing the assets to their working condition, and after deduction of trade discounts, rebates and cash discounts.

The following decisions have been taken with regard to the presentation of the annual accounts:

- decomposable fixed assets: the company has not been able to define decomposable fixed assets, or the decomposition of these assets does not have a material impact,
- Non-decomposable fixed assets: the company has opted to maintain the useful lives for depreciating non-decomposableassets.

Interest on borrowings specific to the production of fixed assets is not included in the production cost of these assets. Depreciation is calculated using the straight-line or declining-balance method, depending on the expected useful life of the asset:

Computer software	from 01 to 03 years
Industrial machinery and equipment	05 years old
Fixtures and fittings	from 06 to 10 years
Office and computer equipment	from 03 to 10 years
Furniture	from 05 to 10 years

RECEIVABLES AND PAYABLES

Receivables and payables are valued at their nominal value. An impairment loss is recognised when the book value falls below the inventory value.

Receivables and payables denominated in foreign currencies are translated in the balance sheet at the exchange rate ruling at the balance sheet date. Only unrealised exchange losses are provided for.

FOREIGN CURRENCY TRANSACTIONS

Income and expenses in foreign currencies are recorded at their equivalent value on the transaction date.

Payables, receivables and cash denominated in foreign currencies are stated in the balance sheet at the year-end exchange rate.

The difference resulting from the discounting of debts and receivables in foreign currencies at the latter rate is recorded in thebalance sheet as a “translation adjustment”. Unrealised foreign exchange losses are provided for in full.

PARTICIPATION

Employee profit-sharing amounts to €226,714. This amount is the result of a calculation based on a legal formula.

POST-BALANCE SHEET EVENTS

No post balance sheet events are likely to be disclosed in the notes to the financial statements.

CHANGES IN METHOD

There have been no changes in the methods used to value and present the financial statements.

OTHER

To date, the war in Ukraine has had no direct impact on the Company’s business.

STATEMENT OF FIXED ASSETS

	Gross value of fixed assets at beginning of year exercise	Increases	
		Revaluation during the year	Acquisitions, creations, transfers pst to pst
Start-up, research and development costs			
Other intangible assets	38 772		
Land			
Buildings on own land			
Buildings on third-party land			
Building fixtures and fittings			
Plant, machinery and equipment manufacturers	63 605		
Other installations, fixtures and fittings	295 717		
Transport equipment			
Office equipment, IT equipment and furniture	501 577		31 974
Returnable packaging			
Assets under construction			
Advance payments			
TOTAL	**860 900**		
Investments accounted for by the equity method Other investments			
Other long-term investments			
Loans and other non-current financial assets	47 342		12 394
TOTAL	**47 342**		
GENERAL TOTAL	**947 014**		

	Decreases		Gross value fixed assets at end of year	Rev. Leg. Val. Origin at year-end
	By transfer from pst to pst	By sale or disposal		
Start-up, research and development costs				
Other intangible assets			38 772	
Land				
Buildings on own land				
Buildings on third-party land				
Building fixtures and fittings				
Plant, machinery and equipment manufacturers			63 605	
Other installations, fixtures and fittings			295 717	
Transport equipment				
Office equipment, IT equipment and furniture			533 551	
Returnable packaging				
Assets under construction				
Advance payments				
TOTAL			**892 873**	
Investments accounted for by the equity method Other investments				
Other long-term investments				
Loans and other non-current financial assets			59 736	
TOTAL			**59 736**	
GENERAL TOTAL			**991 381**	

STATEMENT OF DEPRECIATION

	Situations and movements during the year			
	Start of financial year	**Charges for the year**	**Items removed reversed**	**End of financial year**
Start-up costs, research				
Other intangible assets	12 924	25 848		38 772
Land				
Buildings on own land				
Buildings on third-party land				
Building fixtures and fittings				
Plant, machinery and equipment manufacturers	22 098	14 041		36 139
Other installations, fixtures and fittings Transport equipment	84 501	61 343		145 844
Office equipment, IT equipment and furniture	234 650	133 881		368 531
Returnable packaging				
TOTAL	**341 249**	**209 265**		**550 514**
GENERAL TOTAL	**354 173**	**235 113**		**589 286**

Statement of provisions

PROVISIONS	**Start of financial year**	**Increases in allocations**	**Decreases Reversals**	**End of financial year**
On customer accounts	171 911		96 090	75 821
TOTAL	**171 911**		**96 090**	**75 821**
Impairment				
GENERAL TOTAL	**171 911**		**96 090**	**75 821**
Of which charges and reversals :				
- operating			96 090	
- financial				
- exceptional				

MATURITY OF RECEIVABLES AND PAYABLES

Receivables	**Gross**	**One year at most**	**More than a year**
Loans to subsidiaries and affiliates			
Loan			
Other long-term investments Trade receivables - Bad debts	59 736		59 736
Other trade receivables	10 559 883	10 559 883	
Loans of securities			
Employees and related accounts	25 163	25 163	
Social security, other social organisations			
State and other public authorities :			
- State - Income tax			
- VAT			
- Other taxes and levies	6 133	6 133	
- Miscellaneous			
Group and partners			
Sundry debtors	102 354	102 354	
Prepaid expenses			
GENERAL TOTAL	**10 753 269**	**10 693 533**	**59 736**

Loans granted during the year
Loans recovered during the year
Loans and advances to associates

Debts	Gross	Within one year	Plus 1 year 5 years at most	Over 5 years old
Convertible bonds				
Other bonds				
Loans (2) and borrowings from credit institutions of which :				
- with an initial term of less than 1 year				
- with an initial term of more than 1 year				
Borrowings and other financial liabilities				
Trade payables and related accounts		7 091 317	7 091 317	
Employees and related accounts		1 331 720	1 331 720	
Social security, other social organisations		404 332	404 332	
State and other public authorities :				
- State - Income tax		119 664	119 664	
- VAT		583 269	583 269	
- Guaranteed bonds				
- Other taxes and levies		51 228	51 228	
Payables on fixed assets and related accounts				
Group and associates				
Other liabilities		31 631	31 631	
GENERAL TOTAL		**9 613 162**	**9 613 162**	

Loans taken out during the year Loans repaid during the year Of which ... to partners

ACCRUED INCOME AND CREDIT NOTES

Income and credit notes receivable included in the following balance sheet items	Amount incl. VAT
FINANCIAL ASSETS	
Receivables from participating interests Other long-term investments	
RECEIVABLES	
Trade receivables and related accounts	4 974 610
Other receivables (of which credit notes receivable :)	
MARKETABLE SECURITIES AVAILABILITY	
TOTAL	**4 974 610**

ACCRUED EXPENSES AND CREDIT NOTES

Accrued expenses and credit notes included in the following balance sheet items	Amount incl. VAT
Convertible bonds Other bonds	
Borrowings from credit institutions Other borrowings	
Trade payables and related accounts	5 252 008
Tax and social security liabilities	1 277 913
Payables on fixed assets and related accounts	
Other liabilities (of which credit notes to be drawn up :)	
TOTAL	**6 529 921**

COMPOSITION OF SHARE CAPITAL

	Number	Nominal value
Shares making up the share capital at the start of the financial year	99 000	1
Shares issued during the year		
Shares redeemed during the year		
Shares making up the share capital at year-end	99 000	1

Beneficiary shares

Value	Number
TECH MAHINDRA LIMITED (TML)	99 000

BREAKDOWN OF NET SALES

Breakdown by business sector	Amount
Sales of goods for resale	
Sales of finished products	
Services	36 192 177
TOTAL	**36 116 805**

Breakdown by geographical market	Amount
France	17 495 612
Foreign	18 696 565
TOTAL	**36 116 805**

AUDITORS' FEES

	Amount
- Fees invoiced for the statutory audit of the accounts	32 604
- Fees billed for advice and services	
TOTAL	**32 604**

Average headcount

	Salaried staff	Staff made available to the company
Executives	205	
Supervisors and technicians		
Employees workers		
TOTAL	**205**	

OFF-BALANCE SHEET COMMITMENTS

Retirement commitments amounted to €623,550 at December 31, 2024.

Mr. Ly Cong Trinh Philippe
Director
Date: 1st May 2025

TECH MAHINDRA ENTERPRISE SERVICES LIMITED
(Formerly known as Tech Mahindra Defence Technologies Limited)

Board of Managers
Mr. Aniruddha Vinayak Gadre
Ms. Heena Shah
Mr. Mayank Khandelwal (w.e.f. 7th November, 2024)

Registered Office
Oberoi Garden Estate,
Near Chandivali Studio,
Wing-I Andheri (E),
Mumbai 400072, India

Bankers
Citibank, National Association

Auditors
Ahuja Valecha & Associates LLP,
Chartered Accountant

DIRECTORS' REPORT

Your Directors present their Fourth Annual Report together with the audited Accounts of the Company for the year ended 31st March, 2025.

FINANCIAL SUMMARY / RESULTS

(Figures in ₹ Lakh)

For the year ended		March 31st 2025	March 31st 2024
Revenue from Operations		NIL	NIL
Other Income		0.01	1.07
Expenditure		11.74	4.89
Profit/(Loss) Before Tax & Extra Ordinary items		(11.74)	(3.82)
Profit/ (Loss) after Tax		(11.74)	(3.82)
Profit /(Loss) Carried forward to Balance Sheet		(11.74)	(3.82)
Earning Per Share	Basic	(1.17)	(0.38)
	Diluted	(1.17)	(0.38)

BUSINESS OVERVIEW / STATE OF COMPANY'S AFFAIRS

The Company is exploring business opportunities in Information Technology field.

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

DIVIDEND

In view of loss incurred during the year, the Board of Directors did not recommend any dividend for the FY 2024-25.

RESERVES

The Board does not propose to carry any amount to General Reserves of the Company.

CHANGE IN NATURE OF BUSINESS

During the year under review, the Company has altered its main object clause of the Memorandum of Association to align with its revised strategic direction. The change was undertaken to explore broader business opportunities in the field of Information Technology (IT) services, considering that the Company had not undertaken any commercial activities in the IT-Defence sector since its incorporation.

In line with the change in business focus, the name of the Company was changed from Tech Mahindra Defence Technologies Limited to Tech Mahindra Enterprises Services Limited with effect from 17th September 2024, pursuant to the approval of shareholders and the Registrar of Companies.

ACCEPTANCE OF DEPOSITS

Your Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as on the balance sheet date.

STATUTORY AUDITORS

The members, in the 1st Annual General Meeting (AGM) held on July 20, 2022, appointed M/s. Ahuja Valecha & Associates LLP, as the Statutory Auditors of the Company, to hold office for a further term of five consecutive years from the conclusion of 1st Annual General Meeting till the conclusion of the Annual General Meeting of the Company for the Financial Year 2026-27 on such remuneration as may be determined by the Board of Directors.

The auditors have confirmed their eligibility under Section 139 of the Companies Act, 2013 and the Rules framed thereunder for continuing in the office of Auditors for the Financial Year 2025-26.

AUDITOR'S REPORT

The Auditor's Report on the Financial Statements of the Company is annexed and forms part of the Annual Report. The Auditor's report does not contain any qualification or observations on the accounts of the Company.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees under section 143(12) of the Companies Act, 2013.

SHARE CAPITAL

The Company has not issued any equity shares carrying differential rights, sweat equity shares, employee stock options nor provided money for purchase of its own shares by employees or by trustees for the benefit of employees during the financial year.

The Company's paid up equity capital is ₹ 10,000,000/- comprising of 1,000,000 equity shares of Face Value ₹ 10/- each.

ANNUAL RETURN

Pursuant to the provisions of Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013, the Annual Return in Form MGT-7 is available on the website of the Holding Company and can be accessed at https://www.techmahindra.com/investors/.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Provisions related to Corporate Social Responsibility are not applicable to your Company.

DIRECTORS

Pursuant to the provisions of Section 152(6)(c) of the Companies Act 2013, Ms. Heena Shah, Director is liable to retire by rotation and being eligible offers himself for reappointment. Your Directors recommend the re-appointment of Ms. Heena Shah as Director of the Company.

Mr. Jagdish Mitra (DIN: 06445179) has submitted his resignation as a Director of the Company with effect from 19th April 2024. The Board of Directors appointed Mr. Nalin Mittal (DIN: 02170896) as an Additional Director with effect from 15th April 2024 and appointed as Non-Executive Director with effect from 19th July, 2024. Mr. Nalin Mittal has submitted his resignation as a Director of the Company with effect from 26th December 2024 to take up career prospects outside the organization. Your Board places on record its sincere appreciation for the valuable contribution and timely guidance provided by Mr. Jagdish Mitra and Mr. Nalin Mittal to the Company during their tenure.

The Board of Directors appointed Mr. Mayank Khandelwal (DIN: 06904392) as an Additional Director with effect from 07th November 2024. The term of Mr. Mayank Khandelwal (DIN: 06904392) will end at the ensuing Annual General Meeting. Being eligible, Mr. Mayank Khandelwal offers himself for appointment. Your Directors recommend the appointment of Mr. Mayank Khandelwal as Director of the Company.

The changes in the Board of Directors during the year were as follows:

Sr. No.	Name of the Director	DIN	Designation
1	Mr. Aniruddha Gadre	07659176	Non-Executive Director
2	Mr. Jagdish Mitra (Resigned w.e.f. 19th April, 2024)	06445179	Non-Executive Director
3	Mr. Nalin Mittal (Appointed as Additional Director w.e.f. 15th April, 2024 and Resigned as Director w.e.f. 26th December, 2024)	02170896	Non-Executive Director
4	Ms. Heena Shah	10099961	Non-Executive Director
5	Mr. Mayank Khandelwal (Appointed as Additional Director w.e.f. 07th November, 2024)	06904392	Non-Executive Director

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

During the year under review, the Board met 4 times on 19th April, 2024, 10th July, 2024, 07th November, 2024 and 05th March, 2025.

Presence/ attendance of Directors in the meetings:

Sr. No.	Name of the Director	19th April, 2024 (Through VC)	10th July, 2024 (Through VC)	07th November, 2024 (Through VC)	05th March, 2025 (Through VC)
1	Mr. Aniruddha Gadre	✓	LOA	LOA	✓
2	Mr. Jagdish Mitra	LOA	NA	NA	NA
3	Mr. Nalin Mittal	✓	✓	✓	NA
4	Ms. Heena Shah	✓	✓	✓	✓
5	Mr. Mayank Khandelwal	NA	NA	NA	LOA

During the year under review, an Annual General Meeting ("AGM") was held on 19th July, 2024. The details of the same are given below:

Special Businesses Transacted	Date of Meeting	Total number of member entitled to attend	No. of Members Present	% of total holding of Members present
• Approval for appointment of Mr. Nalin Mittal (DIN: 02170896) as a Director of the Company • Approval for change of object clause and consequential amendment to Memorandum of Association of the Company • Approval change of the name of the Company and consequential amendment to the Memorandum of Association and Articles of Association of the Company • Approval to borrow in excess of paid-up share capital, free reserves and securities premium and creation of security under Section 180(1)(a) & 180(1)(c) of the Companies Act, 2013	19th July, 2024	7	6	99.99%

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company does not have any Subsidiary Company, Associate Company or Joint Venture.

STATEMENT OF COMPLIANCE WITH APPLICABLE SECRETARIAL STANDARDS

Your Directors state that the Company has complied with the applicable Secretarial Standards during the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not given any loans or guarantees under Section 186 of the Companies Act, 2013. Investments made are within the limits provided under Section 186.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were at an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, Form AOC 2 is annexed to this report as "**Annexure A"**.

PARTICULARS OF EMPLOYEES

There are no employees in the Company whose particulars are required to be disclosed in terms of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company's risk management is forming part of internal audit and the risk management framework adopted by the Tech Mahindra Limited ("Holding Company"), wherein the elements of risks are reviewed and audited for the organization as a whole including its subsidiaries.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

Your Company has an adequate system of internal controls commensurate with its size and the nature of its business. It ensures that transactions are authorized, recorded, and reported correctly apart from safeguarding its assets against loss from wastage, unauthorized use and disposition.

VIGIL MECHANISM

The provisions relating to Section 177(9) read with Rule 7 of the Companies (Meetings of the Board and its Powers), Rules, 2014 are not applicable to the Company.

UPDATE ON SCHEME OF MERGER AND AMALGAMATION

Your Board had approved the Scheme of Merger and Amalgamation along with Tech Mahindra Limited, the Transferee Company, ("Holding Company") at the Board Meeting held on 24th April, 2025. An application in this regard will be filed with Hon'ble NCLT, Mumbai Bench.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of Section 134(5) of the Companies Act, 2013, your Directors, based on the representation received from the Operating Management, and after due enquiry, confirm that:

(i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

(ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;

(iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the directors have prepared the annual accounts on a going concern basis;

(v) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Conservation of Energy & Technology Absorption

The operations of the Company are not energy-intensive and hence, the provisions are not applicable.

2. Foreign Exchange earnings and outgo

The foreign exchange earnings and outgo of your Company during the year were NIL.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Since there are no employees in the Company, no complaints were filed in terms of provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

ACKNOWLEDGEMENTS

Your Directors sincerely thank all the members, bankers and consultants for extending their valuable support and co-operation.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 24th April, 2025

Aniruddha Gadre	**Heena Shah**
Director	**Director**
(DIN: 07659176)	**(DIN: 10099961)**

Annexure A

FORM NO. AOC-2

Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

Sr. No.	Name(s) of the related party	Nature of Transaction	Duration of the Transactions	Salient Features of the Transactions	Transactions Value	Justification for transaction	Date(s) of approval by the Board	Amount paid as advances	Date of special resolution
					NIL				

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Name(s) of the related party	Nature of relationship	Nature of Transaction	Duration of the transactions	Salient Features of the transaction	Transactions value (in lakhs.)	% to Consol revenue	Date(s) of approval by the Board, if any	Amount paid as advances
1	Mahindra & Mahindra Limited	Promoter of Holding Company	Business support services	April 24 - March 25	These RPTs are in the ordinary course of business and are at the arms length basis.	1	NA	Since these RPTs are in the ordinary course of business and are at the arms length basis, approval of the board is not applicable.	NA

For and on behalf of the Board of Directors

Place: Mumbai
Date: 24th April, 2025

Aniruddha Gadre
Director
(DIN: 07659176)

Heena Shah
Director
(DIN: 10099961)

INDEPENDENT AUDITOR'S REPORT

To the Members of Tech Mahindra Enterprise Services Limited
(Formerly known as "Tech Mahindra Defence Technologies Limited")

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Tech Mahindra Enterprise Services Limited (Formerly known as "Tech Mahindra Defence Technologies Limited") ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including the comprehensive income), statement of changes in equity and cash flow statement for the year ended March 31, 2025 and a summary of significant accounting policies and other explanatory information.

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 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 March 31, 2025, loss, 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 Companies Act, 2013. Our responsibilities under those Standards 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 Companies Act, 2013 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 on the accompanying Ind AS financial statements.

Matter of Emphasis

Without qualifying our opinion, we draw attention to Note no.18 of the notes to accounts on the Company's ability to continue as a going concern, which is dependent on establishing business operations and obtaining continuing financial support from its shareholders. The mitigating factors have been more fully discussed in note to the accompanying IND AS financial statements, in view of which the accompanying Ind AS financial statements have been prepared under the going concern assumption and consequently, no adjustments have been made to the carrying values or classification of balance sheet accounts.

We draw attention to Note no.33 of the notes to accounts, which describes a subsequent event where, at its Board meeting and Extra-Ordinary General Meeting held on April 18, 2025, the Company approved an amendment to the object clause of its Memorandum of Association. As stated in the note, the amendment includes the addition of two new clauses to enable the Company to undertake future restructuring. The amendment was approved after the reporting date and does not impact the recognition or measurement of assets and liabilities as at March 31, 2025. Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance 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 read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 accompanying 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 Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities 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 accompanying 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. 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 with reference to the accompanying Ind AS financial statements 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 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 and

- 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order 2020 ("the Order") issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

2. 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 (including other comprehensive income), 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 Ind AS 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 March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f. As per the notification issued by the Ministry of Corporate Affairs dated June 13, 2017 amending the notification number GSR 464 (E), the provisions 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".

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.

iii. There were no amounts which were 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 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 such audit procedures performed that have 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 (a) and (b) above contain any material misstatement; and

v. No dividend has been declared or paid during the year by the Company.

vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account 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 audit trail feature being tampered with.

for **Ahuja Valecha & Associates LLP**
Firm Registration no.: - 126791W/W100132
Chartered Accountants

Ankit Shah
Partner
Membership No.: 118976
Place: Pune
UDIN: 25118976BMIECD8393
Date: April 24, 2025

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT ON IND AS FINANCIAL STATEMENTS OF TECH MAHINDRA ENTERPRISE SERVICES LIMITED (FORMERLY KNOWN AS "TECH MAHINDRA DEFENCE TECHNOLOGIES LIMITED") – MARCH 31, 2025

[Annexure referred to in paragraph under "Report on other legal and regulatory requirements" of the independent audit report]

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

Re: Tech Mahindra Enterprise Services Limited (Formerly known as "Tech Mahindra Defence Technologies Limited") ('the Company')

(i) The Company does not own any property, plant and equipment or intangible assets which needs to be capitalized in the books of the Company and accordingly, the requirement to report on clause 3(i) (a), (b), (c), (d) and (e) of the Order is not applicable to the Company.

(ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii) (a) of the Order is not applicable to the Company.

(ii) (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has not made any investments in or granted any loans, secured or unsecured, to firms, limited liability partnership or any other parties. Accordingly, clause 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loan to directors as per section 185, nor has made any investment as per the section 186 of the Company Act, 2013. Accordingly, clause 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in accordance with the provision of section 73 to 76 of the Act. Accordingly, clause 3(v) of the Order is not applicable to the Company.

(vi) According to the information and explanations given to us and in our opinion maintenance of the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules 2014, as amended and prescribed by the Central Government under subsection (1) of section 148 of The Companies Act, 2013 is not applicable, in respect of the activities carried by the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Income-Tax, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities. As informed to us there are no dues towards Provident fund, Employees' State Insurance and Duty of Customs.

(vii) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year. Accordingly, clause 3(viii) of the Order is not applicable to the Company.

(ix) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause 3(ix) (a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.

(x) (a) The Company did not raise any money by way of initial public offer or further public offer (Including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.

(x) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.

(xi) (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi) (c) There are no whistle blower complaints received by the Company during the year. Accordingly, clause 3(xi)(c) of the Order is not applicable to the Company.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with Section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Ind AS financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly, clause 3(xiii) of the Order in so far as it relates to Section 177 of the Act is not applicable to the Company.

(xiv) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) and (b) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi)(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(xvi)(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(xvi) (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(xvi) (d) According to the information and explanations provided to us, there is no Core Investment Company as a part the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has incurred cash losses in the current financial year and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation 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 that the Company is not capable 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) The requirements as stipulated by the provisions of Section 135 (5) are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

for **Ahuja Valecha & Associates LLP**
Firm Registration no.: - 126791W/W100132
Chartered Accountants

Ankit Shah
Partner
Membership No.: 118976
Place: Pune
UDIN: 25118976BMIECD8393
Date: April 24, 2025

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF TECH MAHINDRA ENTERPRISE SERVICES LIMITED (FORMERLY KNOWN AS "TECH MAHINDRA DEFENCE TECHNOLOGIES LIMITED") FOR THE YEAR ENDED MARCH 31, 2025

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date).

Opinion

In our opinion, the Company is in the process of updating adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting as at March 31, 2025, 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.

We have audited the internal financial controls with reference to Ind AS financial statements of Tech Mahindra Enterprise Services Limited (Formerly known as "Tech Mahindra Defence Technologies Limited") ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS 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 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 ('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 (hereinafter referred to as "the Act").

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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 Ind AS financial statements, whether due to fraud or error.

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 Ind AS 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 Ind AS 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 Ind AS 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.

for **Ahuja Valecha & Associates LLP**
Firm Registration no.: - 126791W/W100132
Chartered Accountants

Ankit Shah
Partner
Membership No.: 118976
Place: Pune
UDIN: 25118976BMIECD8393
Date: April 24, 2025

BALANCE SHEET AT MARCH 31, 2025

(All amounts are in Rupees Lakhs, unless stated otherwise)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
Assets			
Current assets			
Financial assets			
i. Cash and cash equivalents	3	**40.35**	46.56
ii. Other Financial Assets	4	**0.09**	0.09
Current Tax Assets	5	**-**	0.23
Other Current Assets	6	**7.88**	7.07
Total current assets		**48.32**	53.95
Total assets		**48.32**	53.95
Equity and liabilities			
Equity			
Equity share capital	7	**100.00**	100.00
Other equity	8	**(61.96)**	(50.22)
Total equity		**38.04**	49.78
Liabilities			
Current liabilities			
Financial liabilities			
i. Trade payables			
(a) Total outstanding dues of micro and small enterprises	9	**-**	-
(b) Total outstanding dues of creditors other than micro and small enterprises		**10.21**	2.94
Other Current Liabilities	10	**0.07**	1.23
Total current liabilities		**10.28**	4.17
Total equity and liabilities		**48.32**	53.95
Summary of material accounting policies	2		
The accompanying notes form an integral part of the standalone financial statements	3 - 34		

The above statement should be read with basis of preparation, material accounting policies and notes forming part of the Financial Statements.

For **Ahuja Valecha & Associates LLP**
Chartered Accountants
Firm Reg. No.126791W/W100132

Ankit Shah
Partner
Membership No.: 118976

Place: Pune
Date: April 24, 2025

For and on behalf of the Board of Directors of
Tech Mahindra Enterprise Services Limited
CIN: U72900MH2021PLC364803

Heena Shah
Director
DIN No: 10099961

Place: Pune
Date: April 24, 2025

Aniruddha Gadre
Director
DIN No: 07659176

Place: Pune
Date: April 24, 2025

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in Rupees Lakhs except earning per share, unless stated otherwise)

Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Revenue from operations		**-**	-
Other Income	11	**0.01**	1.07
Total income		**0.01**	1.07
Expenses			
Other expenses	12	**11.74**	4.89
Total expenses		**11.74**	4.89
Loss before tax		**(11.74)**	(3.82)
Income tax expense			
Current tax		**-**	-
Deferred Tax		**-**	-
Total tax expense		**-**	-
Loss for the year		**(11.74)**	(3.82)
Other comprehensive income		**-**	-
Tax Effect on Other comprehensive income		**-**	-
Total comprehensive income for the year		**(11.74)**	(3.82)
Earnings per equity share (Nominal Value of share ₹10)			
Basic	14	**(1.17)**	(0.38)
Diluted		**(1.17)**	(0.38)
Summary of material accounting policies	2		
The accompanying notes form an integral part of the standalone financial statements	3 - 34		

The above statement should be read with basis of preparation, material accounting policies and notes forming part of the Financial Statements.

For **Ahuja Valecha & Associates LLP**
Chartered Accountants
Firm Reg. No.126791W/W100132

Ankit Shah
Partner
Membership No.: 118976

Place: Pune
Date: April 24, 2025

For and on behalf of the Board of Directors of
Tech Mahindra Enterprise Services Limited
CIN: U72900MH2021PLC364803

Heena Shah
Director
DIN No: 10099961

Place: Pune
Date: April 24, 2025

Aniruddha Gadre
Director
DIN No: 07659176

Place: Pune
Date: April 24, 2025

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in Rupees Lakhs, unless stated otherwise)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash Flows from Operating activities		
Loss before taxation	**(11.74)**	(3.82)
Consider in other activity:		
Interest income	**(0.01)**	(0.79)
Non cash item:		
Credit balance written back	**-**	(0.28)
Operating profit before working capital changes	**(11.75)**	(4.89)
Working capital changes:		
(Decrease) / Increase in trade payable	**7.26**	(34.18)
(Decrease) / Increase in other financial assets	**-**	(0.09)
(Increase)/Decrease in other current assets	**(0.81)**	(0.48)
(Decrease) / Increase in other current liabilities	**(1.16)**	(4.07)
Cash generated from operations	**(6.46)**	(43.71)
Income taxes paid	**0.23**	(0.08)
Net cash flow from /(used in) operating activities	**(6.23)**	(43.79)
Cash flows from investing activities		
Fixed Deposits matured	**-**	25.76
Interest received	**0.01**	0.79
Net cash flow from /(used in) investing activities	**0.01**	26.55
Cash flows from financing activities		
Proceeds from issue of equity shares	**-**	-
Net cash flow from /(used in) financing activities	**-**	-
Net increase / (decrease) in cash and cash equivalents	**(6.22)**	(17.24)
Cash and cash equivalents at beginning of year	**46.56**	63.80
Cash and cash equivalents at end of year	**40.35**	46.56
Cash and cash equivalents comprise of :		
Cash on hand	**-**	-
Balances with banks	**40.35**	46.56
Cash and cash equivalents (Net)	**40.35**	46.56

For Ahuja Valecha & Associates LLP
Chartered Accountants
Firm Reg. No.126791W/W100132

Ankit Shah
Partner
Membership No.: 118976

Place: Pune
Date: April 24, 2025

For and on behalf of the Board of Directors of
Tech Mahindra Enterprise Services Limited
CIN: U72900MH2021PLC364803

Heena Shah
Director
DIN No: 10099961

Place: Pune
Date: April 24, 2025

Aniruddha Gadre
Director
DIN No: 07659176

Place: Pune
Date: April 24, 2025

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

A. Equity share capital:

Equity Shares of ₹10 each issued, subscribed and fully paid up:

Particulars	Notes	As at March 31, 2025		As at March 31, 2024	
		No. of shares	**Amount**	No. of shares	Amount
Opening balance		**1,000,000**	**100**	1,000,000	100
Issued during the year		**-**	**-**	-	-
As at March 31, 2025	7	**1,000,000**	**100**	1,000,000	100

B. Other equity:

Particulars	Notes	As at March 31, 2025		As at March 31, 2024	
		Retained earnings	**Total other equity**	Retained earnings	Total other equity
Opening balance		**(50.22)**	**(50.22)**	(46.40)	(46.40)
Net profit / (loss) after tax	8	**(11.74)**	**(11.74)**	(3.82)	(3.82)
Other Comprehensive Income/(Loss),net of tax		**-**	**-**	-	-
As at March 31, 2025		**(61.96)**	**(61.96)**	(50.22)	(50.22)

The above statement should be read with basis of preparation, material accounting policies and notes forming part of the Financial Statements.

For Ahuja Valecha & Associates LLP
Chartered Accountants
Firm Reg. No.126791W/W100132

Ankit Shah
Partner
Membership No.: 118976

Place: Pune
Date: April 24, 2025

For and on behalf of the Board of Directors of
Tech Mahindra Enterprise Services Limited
CIN: U72900MH2021PLC364803

Heena Shah
Director
DIN No: 10099961

Place: Pune
Date: April 24, 2025

Aniruddha Gadre
Director
DIN No: 07659176

Place: Pune
Date: April 24, 2025

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

1 Corporate Information

Tech Mahindra Enterprise Services Limited ("the Company") (Formerly known as "Tech Mahindra Defence Technologies Limited") is a Company limited by shares incorporated in India, with its registered office situated at Oberoi Garden Estate Nr Chandivali Studio, Wing-I Andheri (E) Mumbai City MH 400072 incorporated on July 28, 2021. The change of name became effective from September 17, 2024. The company provides information technology enabled services and solution in India or elsewhere, either on its own or in collaboration or association with any third party. The Company caters to both domestic and international markets.

2 Basis of preparation and Material Accounting Policies

This note provides basis of preparation and material accounting policies adopted in the preparation of these Financial Information and have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the considerations given in exchange for goods and services.

2.2 Material Accounting Policies

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as Non-current assets.

A liability is current when:

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

All other liabilities as Non-current liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Company is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of products and the time between the acquisitions of assets for processing and their realization in cash and cash equivalents, the company has ascertained operating cycle of 12 months for the purpose of current and non-current classification of assets and liabilities. Since the company has not started business operations, management has decided to not recognise deferred tax.

The functional currency of the Company is INR.

Use of estimates and judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of, useful lives of property, plant and equipment, provision for warranty, variable consideration in revenue, and provisions and contingent liabilities. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialize.

2.3 Other income

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest Income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset's net carrying amount on initial recognition.

2.4 Foreign Currency

Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in Indian rupees (INR), which is functional and presentation currency of the Company

Transactions and balances

Transactions in currencies other than the Company's functional currency are recognised at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date. Non-monetary assets and liabilities denominated in a foreign currency are translated using the exchange rate prevailing at the date of initial recognition (in case measured at historical cost) or at the rate prevailing at the date when the fair value is determined (in case measured at fair value).

Foreign exchange differences are recognised in profit or loss in the period in which they arise except for exchange difference on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings and exchange differences on transactions entered into in order to hedge foreign currency risks.

2.5 Provisions

General

A provision is recognised when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Onerous Contracts:

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.6 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to

settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

2.7 Financial instruments

Financial assets:

Initial recognition and measurement:

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction cost directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

Subsequent Measurement:

Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

- **Financial assets at amortized cost (ACM)**

  Financial assets that are held within a business model whose objective is to hold assets for collecting contractual cash flows and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at amortized cost using the effective interest rate method. The change in measurements are recognised as finance income in the statement of profit and loss.

- **Financial assets at fair value through other comprehensive income (FVTOCI)**

  Financial assets that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets and the assets' contractual cash flows represent solely payments of principal and interest on the principal amount outstanding are subsequently measured at fair value. Fair value movements are recognised in other comprehensive income.

- **Financial assets at fair value through profit or loss (FVTPL)**

  Any financial asset which does not meet the criteria for categorization as financial instruments at amortized cost or as FVTOCI, is classified as financial instrument at FVTPL. Financial instruments included within the FVTPL category are subsequently measured at fair value with all changes recognised in the statement of profit and loss.

Equity instruments

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

- **Derecognition**

  The Company derecognises a financial asset 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 party.

  On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity, if any, is recognised in profit or loss.

- **Reclassification of financial assets**

  The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent.

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

For the purpose of subsequent measurement, financial liabilities are classified as:

- **Financial liabilities at amortized cost (ACM)**

  Financial liabilities such as loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. The change in measurements are recognised as finance costs in the statement of profit and loss.

- **Financial liabilities at fair value through profit or loss (FVTPL)**

  Financial liabilities include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss if the recognition criteria as per Ind AS 109 – "Financial Instruments" are satisfied. Gains or losses on liabilities held for trading are recognised in statement of profit and loss. Fair value gains or losses on liabilities designated as FVTPL attributable to changes in own credit risk are recognised in other comprehensive income. All other changes in fair value of liabilities designated as FVTPL are recognised in the statement of profit and loss. The Company has not designated any financial liability as at FVTPL.

- **Derecognition**

  The Company derecognises financial liabilities when the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.8 Impairment

Financial assets (other than at fair value)

The Company assesses at each date of balance sheet 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. Company performs credit assessment for customers on an annual basis. Company recognises credit risk, on the basis of lifetime expected losses and where receivables are due for more than six months. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

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.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not

exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.9 Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing :

- the profit attributable to owners of the company

- by the weighted average number of equity shares outstanding during the financial year.

(b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.10 Cash flow statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company.

2.11 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents consist of cash and cash equivalent, as defined above, net of outstanding bank overdrafts if they are considered an integral part of the Company's cash management.

2.12 Fair value measurement

Fair value is the price that would be received from the sale of 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 an asset or transfer the liability takes place either:

- In the principal market for the asset or liability.

- In the absence of principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

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

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

3	Cash And Cash Equivalents	As at March 31, 2025	As at March 31, 2024
	Balances with bank *:		
	In current accounts	**40.35**	46.56
	Total	**40.35**	46.56

* There are no restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior periods.

4	Other Financial Assets	As at March 31, 2025	As at March 31, 2024
	Advances to Related Parties	**0.09**	0.09
	Total	**0.09**	0.09

5	Current Tax Assets	As at March 31, 2025	As at March 31, 2024
	TDS Receivable	**-**	0.23
	Total	**-**	0.23

6	Other Current Assets	As at March 31, 2025	As at March 31, 2024
	GST Receivable	**7.88**	7.07
	Total	**7.88**	7.07

7	EQUITY SHARE CAPITAL	As at March 31, 2025	As at March 31, 2024
	Authorized:		
	30,00,000 (March 31, 2024 - 30,00,000) ordinary equity shares of ₹10 each	**300.00**	300.00
		300.00	300.00
	Issued, subscribed and paid up:		
	10,00,000 (March 31, 2024 - 10,00,000) ordinary equity shares of ₹10 each	**100.00**	100.00
		100.00	100.00

Number of shares have been disclosed in absolute terms.

a) Movement in Subscribed and Paid-up Equity Share Capital:

	As at March 31, 2025	As at March 31, 2024
Equity Shares:		
Equity shares outstanding at the beginning of the year	**10.00**	10.00
Additional equity shares allotted	**-**	-
Equity shares outstanding at the end of the year	**10.00**	10.00

b) Rights, preferences and restrictions attached to Equity Shares:

The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of 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 preferential amounts, in proportion to their shareholding.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of Shareholders holding more than 5% Equity Shares in the Company:

Name of the Shareholder	As at March 31, 2025	
	Numbers of shares	% holding
Tech Mahindra Limited	**999,994**	99.99%
Total	**999,994**	99.99%

d) Details of shareholding of promoters in the company:

Name of the Shareholder	As at March 31, 2025	
	Numbers of shares	% holding
Tech Mahindra Limited	**999,994**	99.99%
Total	**999,994**	99.99%

8	Other equity	As at March 31, 2025	As at March 31, 2024
	Opening balance	**(50.22)**	(46.40)
	Add: Loss for the year	**(11.74)**	(3.82)
	Closing balance	**(61.96)**	(50.22)

Retained earnings:

The cumulative gain or loss arising from the operations which is retained by the company is recognised and accumulated under the heading “Retained Earnings”. At the end of the year, the profit after tax and Other comprehensive income is transferred from the statement of profit and loss to retained earnings.

9	Trade payables	As at March 31, 2025	As at March 31, 2024
	- Total Outstanding dues of micro enterprises and small enterprises (refer note 17)	**-**	-
	- Total Outstanding dues of creditors other than micro enterprises and small enterprises	**10.21**	2.94
	Total	**10.21**	2.94

10	Other Current Liabilities	As at March 31, 2025	As at March 31, 2024
	Statutory dues	**0.07**	1.23
	Total	**0.07**	1.23

11	Other Income	For the year ended March 31, 2025	For the year ended March 31, 2024
	Interest on		
	- Income-tax refund	**0.01**	-
	- Fixed deposits with banks	**-**	0.79
	Credit balance written back	**-**	0.28
	Total	**0.01**	1.07

12 Other expenses	For the year ended March 31, 2025	For the year ended March 31, 2024
Business support services	**1.00**	0.94
Legal and other professional fees (Refer note "A" below))	**10.63**	0.74
Foreign exchange loss	**0.10**	2.98
Rates and taxes	**0.01**	-
Miscellaneous expenses	**0.00**	0.23
Total	**11.74**	4.89

A. Legal and professional fees above include payment to auditors:

Payment to auditors:	For the year ended March 31, 2025	For the year ended March 31, 2024
Statutory audit fees	**0.55**	0.50
Total	**0.55**	0.50

13 TRADE PAYABLES AGEING SCHEDULE:

As at March 31, 2025:	Outstanding for following periods from due date of payment						
Particulars	**Unbilled**	**Not Due**	**Less than 01 year**	**01 - 02 years**	**02 - 03 years**	**More than 03 years**	**Total**
Undisputed:							
(a) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	10.15	0.05	-	-	-	10.21
Disputed:							
(a) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
		10.15	**0.05**	**-**	**-**	**-**	**10.21**

As at March 31, 2024:	Outstanding for following periods from due date of payment						
Particulars	**Unbilled**	**Not Due**	**Less than 01 year**	**01 - 02 years**	**02 - 03 years**	**More than 03 years**	**Total**
Undisputed:							
(a) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	0.65	-	2.29	-	-	2.94
Disputed:							
(a) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
		0.65	-	2.29	-	-	2.94

14	Earnings per share (EPS)	March 31, 2025	March 31, 2024
	Net loss after tax	**(11.74)**	(3.82)
	Basic and diluted earnings per share :		
	Weighted average number of equity shares outstanding during the year	**1,000,000**	1,000,000
	Basic Earnings per Share	**(1.17)**	(0.38)
	Diluted Earnings per Share	**(1.17)**	(0.38)

15 CONTINGENT LIABILITIES :

The Company has no contingent liabilities as at the year end. (Previous year: Nil)

16 CAPITAL AND OTHER COMMITMENTS:

There are no capital and other commitments at the end of the year. (Previous year: Nil)

17 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006:

The Company does not owe any sum to supplier registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') as on March 31, 2025.

18 The commercial activities of the Company has not yet started during the year, further, there are no employees in the Company. The Company has prepared forecasts for the next year and the contracts with the new customers is under progress which the management believes to be crystalised in the ensuing financial year. Further, the Company has been able to meet its obligations in the ordinary course of business and the holding company is committed to provide financial support to the Company as and when required. Accordingly these financial statements have been prepared assuming that the Company will continue as a going concern.

19 Related party disclosures

In accordance with the requirements of Ind AS 24, there are transactions entered with the related party during the year. Following are details of the related parties of the company:

A Names of Related Parties irrespective of whether transaction have occurred or not:

(i) Related Parties :

Promoter of Holding Company	Mahindra & Mahindra Limited
Holding Company	Tech Mahindra Limited
Key Management Personnel:	
Director	Heena Shah (appointed with effect from April 05, 2023)
	Aniruddha Garde
	Gautam Shirali (resigned with effect from April 10, 2023)
	Jagdish Mitra (resigned with effect from April 19, 2024)
	Nalin Mittal (appointed with effect from July 19, 2024 and ceased with effect from December 26, 2024)
Additional Director	Mayank Khandelwal (appointed with effect from November 07, 2024)
	Nalin Mittal (appointed with effect from April 15, 2024 and ceased with effect from July 18, 2024)

(ii) Names of Related Parties with whom transaction have taken place during the year:

Particulars	March 31, 2025	March 31, 2024
Mahindra & Mahindra Limited	**1.00**	0.94

(iii) Details of related party transactions during the year ended March 31, 2025:

Particulars	March 31, 2025	March 31, 2024
Business support services	**1.00**	0.94

(iv) Balances outstanding receivables/(payables) at the end of the year:

Name of related party	March 31, 2025	March 31, 2024
Mahindra & Mahindra Limited	**0.09**	0.09

20 Ratio Analysis:

Particulars	Numerator/ Denominator	Numerator	Denominator	As at March 31, 2025	Numerator	Denominator	As at March 31, 2024	% change	Remarks
Current Ratio	Current Assets/ Current Liabilities	48.32	10.28	4.70	53.96	4.18	12.92	-63.60%	Refer Note 1
Return on Equity Ratio	PAT / Average shareholder's equity	(11.74)	43.91	(0.27)	(3.82)	51.69	(0.07)	261.58%	Refer Note 2
Return on Capital Employed	EBIT / [Net worth+total debt+deferred tax liability]	(11.74)	38.04	(0.31)	(3.82)	49.78	(0.08)	301.92%	Refer Note 3

* Ratios variances have been explained for any change by more than 25% as compared to the previous year.

Note: Following ratios are not applicable to the company:

Debt Service Coverage Ratio

Debt Equity Ratio

Return on investment

Inventory Turnover Ratio

Trade Receivables Turnover Ratio

Trade Payable Turnover Ratio

Net Capital Turnover Ratio

Net Profit Ratio

Notes:

1 The bank balance has declined while trade payables have increased significantly, leading to a decrease in the ratio compared to previous year.

2 The company has incurred higher losses compared to previous year, which resulted in adverse change in the ratio.

3 The company has incurred higher losses compared to previous year, resulting in further decrease in its net worth.

21 Fair Value Measurement by Category

Particulars	March 31, 2025			
	Amortised cost	Financial assets/ liabilities at fair value through profit and loss	Financial assets/ liabilities at fair value through OCI	Total Carrying Value
Financial assets*				
Cash and bank balances	40.35	-	-	40.35
Other Financial Assets	0.09	-	-	0.09
Total financial assets	40.44	-	-	40.44
Financial liabilities*				
Trade payables	10.21	-	-	10.21
Total financial liabilities	**10.21**	**-**	**-**	**10.21**

Particulars	March 31, 2024			
	Amortised cost	Financial assets/ liabilities at fair value through profit and loss	Financial assets/ liabilities at fair value through OCI	Total Carrying Value
Financial assets*				
Cash and bank balances	46.56	-	-	46.56
Other Financial Assets	0.09	-	-	0.09
Total financial assets	**46.66**	**-**	**-**	**46.66**
Financial liabilities*				
Trade payables	2.94	-	-	2.94
Total financial liabilities	**2.94**	**-**	**-**	**2.94**

The management assessed that the fair value of cash and cash equivalent and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following method and assumptions were used to estimate the fair value:

* Financial assets and liabilities such as cash and cash equivalent, bank balance other than cash and cash equivalents, trade payables etc. are largely short-term in nature. The fair values of these financial assets and liabilities approximate their carrying amount due to the short-term nature of such assets and liabilities.

Fair value hierarchy

	March 31, 2025			
Assets and liabilities which are measured at amortised cost for which fair values are disclosed	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets*				
Cash and bank balances	-	-	40.35	40.35
Other Financial Assets	-	-	0.09	0.09
Total financial assets	-	-	40.44	40.44
Financial liabilities*				
Trade payables	-	-	10.21	10.21
Total financial liabilities	-	-	10.21	10.21

	March 31, 2024			
Assets and liabilities which are measured at amortised cost for which fair values are disclosed	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets*				
Cash and bank balances	-	-	46.56	46.56
Other Financial Assets	-	-	0.09	0.09
Total financial assets	-	-	46.66	46.66
Financial liabilities*				
Trade payables	-	-	2.94	2.94
Total financial liabilities	-	-	2.94	2.94

All the financial assets and liabilities have been measured at amortised cost therefore disclosure has been given only for amortised costs.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The mutual funds are valued using the closing NAV. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

22 Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's principal financial liabilities comprise of trade payables. The Company's principal financial assets include cash and cash equivalents.

i. Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. Due to the dynamic nature of the underlying business, the Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines. The Company closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents and sufficient committed fund facilities, will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	**1 year and more**	**Less than 1 year**	**Total**
As on March 31, 2025:			
Trade payables	-	10.21	10.21
Total	**-**	**10.21**	**10.21**
As on March 31, 2024:			
Trade payables	2.29	0.65	2.94
Total	**2.29**	**0.65**	**2.94**

ii. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result in interest rate risk and exchange rate risk. Financial instruments affected by market risk include borrowings, receivables, payables, advances and other financial instruments.

(a) 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 is not exposed to any major risk of changes in market interest rates on the term loan.

(b) Exchange rate risk

The fluctuation in foreign currency exchange rate may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets and liabilities are denominated in a currency other than the functional currency of the Company. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The carrying amount of the company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Details of foreign currency exposures that are not hedged by a derivatives instrument or otherwise:

Particulars	Amount in Foreign Currency		Amount in INR	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Payables				
Currency - USD	**11,127.11**	0.03	**950,922.50**	2.29

Foreign currency sensitivity

The Company's currency exposures in respect of monetary items at March 31, 2025 and March 31, 2024 that result in net currency gains and losses in the income statement and equity arise principally from movement in above exchange rates.

The following tables demonstrate the sensitivity to a reasonably possible change in above exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Impact to Statement of Profit and Loss - Expenses/(income)

Particulars	March 31, 2025		March 31, 2024	
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
Change in USD rate	**1,112.71**	**(1,112.71)**	**0.00**	(0.00)

23 Debit and credit balances of trade payables and other financial assets to the extent not confirmed are subject to confirmation and reconciliation with the parties as at March 31, 2025.

24 The Company's business does not require maintenance of inventories.

25 The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

26 The Company do not have any transactions with companies struck off.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

27 The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

28 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

29 The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

30 The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

31 The Company does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961.

32 Since there are no employees in the Company, no disclosure has been given for employee related benefits.

33 Subsequent to the balance sheet date, at its Board meeting and Extra-ordinary general meeting held on April 18, 2025, the Company approved an amendment to the object clause of its Memorandum of Association. As part of this amendment, two new clauses were added to provide the Company with the necessary statutory authority to undertake future restructuring activities.

Since the approval and amendment occurred subsequent to the reporting date and did not result in any conditions existing as at March 31, 2025, this event does not affect the recognition or measurement of assets and liabilities in the financial statements for the year ended March 31, 2025. Accordingly, no adjustments have been made in these financial statements.

34 Previous year figures:

Previous year numbers are regrouped / rearranged to confirm to current year presentation.

As per our report of even date

For Ahuja Valecha & Associates LLP	**For and on behalf of the Board of Directors of**	
Chartered Accountants	**Tech Mahindra Enterprise Services Limited**	
Firm Reg. No.126791W/W100132	CIN: U72900MH2021PLC364803	
Ankit Shah	Heena Shah	Aniruddha Gadre
Partner	Director	Director
Membership No.: 118976	DIN No: 10099961	DIN No: 07659176
Place: Pune	Place: Pune	Place: Pune
Date: April 24, 2025	Date: April 24, 2025	Date: April 24, 2025

TECH MAHINDRA DIGITAL PTY LTD

Management Certified Financial Statements for the year ended 31st March, 2025

Board of Directors
Mr. Shyam Deshpande

Registered office
6Level 7, 607 Bourke Street,
Melbourne, Victoria 3000

Bankers
National Australia Bank

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

(Amt in AUD)

	31-Mar-25	31-Mar-24
Current Assets		
Cash and cash equivalent	**10,556,000**	4,715,571
Account Receivable	**449,750**	783,906
Loan to related party	**7,000,000**	5,500,000
Advance income tax	**306,365**	167,647
Inter Company Receivables	**413,500**	531,080
Accrued Revenue	**1,784,585**	12,150
Prepaid Expenses	**-**	3,843
Others	**196,815**	-
Total Current Assets	**10,151,015**	6,998,626
Non Current Assets		
Property, Plant and Equipment	**75,612**	78,156
Total Non Current Assets	**75,612**	78,156
Total Assets	**20,782,627**	11,792,353
Current Liability		
Payables		
Accounts Payable	**7,916,940**	88,359
Accured expenses	**-**	182,103
Provision for annual leaves	**-**	28,282
Inter-company provisions	**1,977,710**	5,489,949
Others	**-**	(372,225)
	9,894,650	5,416,468
Total Current Liability	**9,894,650**	5,416,468
Net Assets	**10,887,977**	6,375,885
Equity		
Issued & paid up capital	**1,320**	1,320
Capital reserve	**3,229,992**	3,229,992
Retained Earnings	**7,656,665**	3,144,573
Total Equity	**10,887,977**	6,375,885

Lata Shinde

Head of Accounts - Subsidiaries
Tech Mahindra Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025

(Amt in AUD)

Particulars	Year ended 31 March 25	Year ended 31 March 24
Revenue from Operation	**10,019,077**	6,108,380
Other income	**985,100**	284,063
Total Income	**11,004,178**	6,392,443
Expenses		
Employment expenses	**1,383,801**	1,446,331
Inter co purchase (TML)	**4,485,425**	3,202,124
Subcontracting Expenses	**576,389**	1,361,913
Communication Expenses	**-**	105
Travelling Expenses	**384**	8,551
Recruitment Expenses	**19,581**	217,550
Legal and other professional costs	**220**	10,628
Insurance charges	**-**	18,361
Interest Expense	**20,576**	-
Software, Hardware and Project Specific Expenses	**1,243**	6,562
Advertisement, Promotion & Selling Expenses	**3,283**	750
General Office Expenses	**-**	263
Miscellaneous Expenses	**1,183**	2,285
Total Expenses	**6,492,085**	6,275,423
Profit from Ordinary Activities before income tax	**4,512,092**	117,020
Income tax expense	**-**	(1,791,657)
Net Profit after tax	**4,512,092**	(1,674,637)

Lata Shinde
Head of Accounts - Subsidiaries
Tech Mahindra Limited

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2025

Note 1: Summary of Significant Accounting Policies

The management have prepared the financial report on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial report are therefore special purpose financial statements that have been prepared in order to meet the needs of members.

The financial report have been prepared in accordance with the significant accounting policies disclosed below, which the management have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial report have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. The amounts presented in the financial statements have been rounded to the nearest dollar. The accounting policies that have been adopted in the preparation of the statements are as follows:

(a) Income Tax

The income tax expense (income) for the year comprises current income tax expense (income). The company does not apply deferred tax.

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

(b) Loans and Receivables

Trade receivables are recognised initially at cost and are subsequently measured at cost less any provision for impairment. Most sales are made on the basis of normal credit terms and are not subject to interest. Where credit is extended beyond normal credit terms and is more than 12 months, receivables are discounted to their present value. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Other receivables include loans granted by the Company and are discounted to present values using the interest rate inherent in the loan.

(c) Property, Plant and Equipment (PPE)

Property, plant and equipment are carried at cost, independent of management' valuation. All assets, excluding freehold land and buildings, are depreciated over their useful lives to the company.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders’ equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the assets charged to the income statement and depreciation based on the asset’s original cost is transferred from the revaluation reserve to retained earnings.

The carrying amount of plant and equipment is reviewed annually by management to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset’s employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amounts.

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. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

(d) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reasonably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(f) Revenue and Other Income

Revenue is measured at the value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue recognised related to the provision of services is determined with reference to the stage of completion of the transaction at the reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

All revenue is stated net of the amount of goods and services tax (GST).

(g) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the company, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

(i) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

TECH MAHINDRA LONDON LIMITED

Directors
Lakshmanan Chidambaram
Manish Upadhyay
Harshul Asnani - Appointed on 1st August 2024
Vikram N Nair - Resigned on 26th July 2024

Registered number
04117035

Registered office
3rd Floor
63 Queen Victoria Street London
United Kingdom EC4N 4UA

Independent auditors
Barnes Roffe LLP
Chartered Accountants & Statutory Auditors
3 Brook Business Centre
Cowley Mill Road Uxbridge Middlesex
UB8 2FX

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2025

Introduction

The directors present the strategic report for the year ended 31 March 2025.

Principal activities

The principal activity of Tech Mahindra London Limited ("the company") is to hold investments in other Tech Mahindra group entities. It has ceased to carry out trade activities.

Review of the business

	2025	2024
For the year ended 31 March 2025	£	£
Operating loss	(238,254)	(250,712)
Add : Interest income	861,359	403,686
Add : Other income	51,151	181,794
Add: Income from shares in group undertakings	-	13,349,318
Profit before write offs	**674,256**	13,684,086
Less : Amounts written off investments	(78,372,300)	(24,253,485)
Loss before tax	**(77,698,044)**	(10,569,399)

Principal risks and uncertainties

Business acquisitions underperformance

Risk Description:

a. A degree of uncertainty exists in valuing acquisitions and evaluating potential synergies

b. Post-acquisition risks arise due to change of control and integration challenges

Potential Impact:

a. Financial impact due to underperformance of acquisitions

b. Expected synergies are not realised

Mitigation Plan;

The M&A team continuously reviews the performance vis-a-vis the targets and updates Management. There is also a rationalisation plan to consolidate the entities and integrate the back office of portfolio companies to drive synergies and economies of scale.

This report was approved by the board on 21-05-2025 and signed on its behalf.

Harshul Asnani
Director

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their report and the financial statements for the year ended 31 March 2025.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act, 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The loss for the year, after taxation, amounted to £77,894,775 *(2024 - loss £10,401,299).*

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who served during the year were:

Lakshmanan Chidambaram
Manish Upadhyay
Harshul Asnani - Appointed on 1st August 2024
Vikram N Nair - Resigned on 26th July 2024

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Post balance sheet events

There are no subsequent events that require disclosure or adjustments to the financial statements.

Auditors

The auditors, Barnes Roffe LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 21-05-2025 and signed on its behalf.

Harshul Asnani
Director

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TECH MAHINDRA LONDON LIMITED

Opinion

We have audited the financial statements of Tech Mahindra London Limited (the 'Company') for the year ended 31 March 2025, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act, 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matters prescribed by the Companies Act, 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement included in the Directors' report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 (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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with law and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the company through discussion with directors and other management, and from our commercial knowledge and experience of the relevant sector;
- The specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, are as follows;

- ° Companies Act, 2006
- ° FRS102
- ° Tax legislation

- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of; and
- Laws and regulations were communicated within the audit team at the planning meeting, and during the audit as any further laws and regulation were identified. The audit team remained alert to instances of non- compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- Making enquiries of management as to where they consider there was susceptibility to fraud and their knowledge of actual suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- Reviewing the financial statements and testing the disclosures against supporting documentation;
- Performing analytical procedures to identify any unusual or unexpected trends or anomalies;
- Inspecting and testing journal entries to identify unusual or unexpected transactions;
- Assessing whether judgement and assumptions made in determining significant accounting estimates were indicative of management bias; and
- Investigating the rationale behind significant transactions, or transactions that are unusual or outside the company's usual course of business.

The areas that we identified as being susceptible to misstatement through fraud were:

- Management bias in the estimates and judgements made;
- Management override of controls; and
- Posting of unusual journals or transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Barnes Roffe LLP
Simon Carr (Senior statutory auditor)
for and on behalf of

Date: 27-May-2025

Chartered Accountants
Statutory Auditors

3 Brook Business Centre
Cowley Mill Road Uxbridge Middlesex
UB8 2FX

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025	2024
		£	£
Administrative expenses		**(238,254)**	(250,712)
Operating loss4	4	**(238,254)**	(250,712)
Income from other fixed asset investments		**51,151**	181,794
Income from shares in group undertakings	10	**-**	13,349,318
Amounts written off investments	7	**(78,372,300)**	(24,253,485)
Interest receivable from group companies	11	**861,359**	403,686
Loss before tax		**(77,698,044)**	(10,569,399)
Tax on loss	12	**(196,731)**	168,100
Loss for the financial year		**(77,894,775)**	(10,401,299)
Total comprehensive income for the year		**(77,894,775)**	(10,401,299)

(See accompanying notes forming part of the financial statements)

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Note	2025		2024	
		£	£	£	£
Fixed assets					
Investments	13		**157,198,973**		245,013,909
			157,198,973		245,013,909
Current assets					
Debtors: amounts falling due after more than one year	14	**-**		232,921	
Debtors: amounts falling due within one year	14	**27,352,145**		24,179,733	
Cash at bank and in hand	15	**210,724**		124,022	
		27,562,869		24,536,676	
Creditors: amounts falling due within one year	16	**(3,344,101)**		(14,738,069)	
Net current assets			**24,218,768**		9,798,607
Total assets less current liabilities			**181,417,741**		254,812,516
Net assets			**181,417,741**		254,812,516
Capital and reserves					
Called up share capital	17		**266,526,578**		262,026,578
Profit and loss account			**(85,108,837)**		(7,214,062)
			181,417,741		254,812,516

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21-05-2025.

Harshul Asnani
Director

(See accompanying notes forming part of the financial statements)

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2023	262,026,578	3,187,237	265,213,815
Comprehensive income for the year Loss for the year	-	(10,401,299)	(10,401,299)
Total comprehensive income for the year	-	(10,401,299)	(10,401,299)
At 1 April 2024	262,026,578	(7,214,062)	254,812,516
Comprehensive income for the year Comprehensive income for the year	-	(77,894,775)	(77,894,775)
Total comprehensive income for the year	-	(77,894,775)	(77,894,775)
Contributions by and distributions to owners Shares issued during the year	4,500,000	-	4,500,000
Balance as at 31 March 2025	4,500,000	-	4,500,000
At 31 March 2025	266,526,578	(85,108,837)	181,417,741

(See accompanying notes forming part of the financial statements)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1. General information

Tech Mahindra London Limited is a company limited by shares, incorporated in England and Wales. The address of registered office is Tech Mahindra Limited 3rd Floor, 63 Queen Victoria Street, London, United Kingdom, EC4N 4UA.

The company is an investment holding company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group.

The financial statements of the company are consolidated in the financial statements of Tech Mahindra Limited as at 31 March 2025. These consolidated financial statements are available from its registered office Gateway Building, Apollo Bunder, Mumbai, Maharashtra, 400001, India.

The company is exempt from the requirement to prepare group accounts by virtue of section 401 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The company has taken exemption from producing a cashflow as it is included in the parent company's consolidated financial statements.

2.2 Going concern

At the time of approving the financial statements, the directors have as reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Foreign currency translation
Functional and presentation currency

The Company's functional and presentational currency is GBP.

2. Accounting policies (continued)

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non- monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight-line basis over the lease term.

2.5 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.6 Fixed assets investment

Interest in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the Statement of comprehensive income.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

2.7 Taxation

Tax is recognised in the Statement of comprehensive income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

2.8 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2. Accounting policies (continued)

2.10 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Financial instruments

The Company has elected to apply the provisions of Section 11 “Basic Financial Instruments” of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company’s Statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors, cash and bank balances, are initially measured at their transaction price (adjusted for transaction costs except in the initial measurement of financial assets that are subsequently measured at fair value through profit and loss) and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company’s cash and cash equivalents, trade and most other debtors due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset’s original effective interest rate. The impairment loss is recognised in profit or loss.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities.

2. Accounting policies (continued)

2.11 Financial instruments (continued)

Basic financial liabilities, which include trade and other creditors, bank loans and other loans are initially measured at their transaction price (adjusting for transaction costs except in the initial measurement of financial liabilities that are subsequently measured at fair value through profit and loss). When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future payments discounted at a market rate of interest, discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade creditors are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

Earn out liabilities raised from the purchase of investment companies are initially recognised against the cost of the investment.

The derecognition of the liability is recorded through the Statement of Comprehensive Income.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Recoverable amount of cash generating units and use of appropriate discount rates

Fixed asset investment costs require management estimation to determine the valuations. At each balance sheet date, the directors determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset is tested for impairment and will require estimation of the recoverable value of cash generating units (CGUs) and also selection of appropriate discount rates in order to calculate the net present value of these cash flows.

The recoverable amount of CGUs is a source of significant estimation uncertainty and determining this involves the use of significant assumptions.

An impairment loss is recognised as the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell and value in use.

4. Operating loss

The operating loss is stated after charging:

	2025	2024
	£	£
Exchange differences	**184,629**	195,441
Other operating lease rentals	**913**	1,031
	183,76	194,410

5. Auditors' remuneration

During the year, the Company obtained the following services from the Company's auditors:

	2025	2024
	£	£
Fees payable to the Company's auditors for the audit of the Company's financial statements	**10,875**	11,000
Fees payable to the Company's auditors for tax related services	**500**	-
Fees payable to the Company's auditors for other services	**215**	-
	11,590	11,000

6. Employees

The Company has no employees other than the directors, who did not receive any remuneration *(2024 -£Nil)*

7. Amounts written off investments

	2025	2024
	£	£
Amounts written off investments	**(82,549,088)**	(51,876,508)
Amounts written off financial liabilities	**4,176,788**	27,623,023
	(78,372,300)	(24,253,485)

The trading results of Com Tec Co IT Ltd have not met defined sales targets. This, in conjunction with group restructuring, has resulted in a decline in sales across the cash generating unit and the investment has been impaired by £82,549,088 (2024 - £34,608,854).

Tech Mahindra Communications Japan Co. Ltd is loss making and therefore the directors consider the investment fully impaired, resulting in £Nil (2024 - £574,038) being written off to the Statement of comprehensive income.

SWFT Technologies Ltd is loss making and therefore the directors consider the investment fully impaired, resulting in £Nil (2024 - £13,764,059) being written off to the Statement of comprehensive income.

Surance Ltd is loss making and therefore the directors consider the investment fully impaired, resulting in £Nil (2024 - £2,929,557) being written off to the Statement of comprehensive income.

The gain of £4,176,788 (2024 - £27,623,023) is as a result of the write off of financial liabilities (included in other creditors) relating to the reversal of an earnout liability. The earnout is a contractual arrangement between Tech Mahindra London Limited and Com Tec Co IT Ltd in which a portion of the purchase price is paid out contingent upon Com Tec Co IT Ltd achieving predefined financial targets. Com Tec Co IT Ltd did not meet the financial target and therefore the earnout was partially reversed.

8. Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in the Statement of comprehensive income:

	Note	2025	2024
		£	£
In respect of:			
Fixed asset investments	6	**82,549,088**	51,876,508
Recognised in:			
Amount written off investments			
		82,549,088	51,876,508

a) Impairment of fixed asset investment in Com Tec Co IT Ltd

The trading results of Com Tec Co IT Ltd have not met defined sales targets. As a result of this decline in sales across the cash generating unit, goodwill was impaired by £82,549,088 (2024 - £34,608,854).

The recoverable amount of the cash-generating unit is a source of significant estimation uncertainty. The recoverable amount was determined using a value-in-use calculation which required the use of assumptions. The calculations use cash flow projections based on financial budgets approved by the directors covering a five-year period. Cash flows beyond the five-year period are extrapolated using an estimated growth rate. The discount rate used was 13%.

b) Impairment of fixed asset investment in Tech Mahindra Communications Japan Co. Ltd

Tech Mahindra Communications Japan Co. Ltd is loss making and therefore the directors consider the investment fully impaired, resulting in £Nil (2024 - £574,038) being written off to the Statement of comprehensive income.

c) Impairment of fixed asset investment in SWFT Technologies Ltd

SWFT Technologies Ltd is loss making and therefore the directors consider the investment fully impaired, resulting in £Nil (2024 - £13,764,059) being written off to the Statement of comprehensive income.

d) Impairment of fixed asset investment in Surance Ltd

Surance Ltd is loss making and therefore the directors consider the investment fully impaired, resulting in

£Nil (2024 - £2,929,557) being written off to the Statement of comprehensive income.

9. Directors' remuneration

No remuneration was paid to the directors during the year (2024 - £Nil).

10. Income from investments

	2025	2024
	£	£
Dividends received from unlisted investments	-	13,349,318
	-	13,349,318

11. Interest receivable

	2025	2024
	£	£
Other interest receivable	**861,359**	403,686
	861,359	403,686

12. Taxation

	2025	2024
	£	£
Corporation tax		
Current tax on profits for the year	**28,631**	-
Total current tax	**28,631**	-
Deferred tax		
Origination and reversal of timing differences	**168,100**	(168,100)
Total deferred tax	**168,100**	(168,100)
Tax on loss	**196,731**	(168,100)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2024 - higher than) the standard rate of corporation tax in the UK of 25% (2024 - 25%). The differences are explained below:

	2025	2024£
	£	£
Loss on ordinary activities before tax	**(77,698,044)**	(10,569,399)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2024 - 25%)	**(19,424,511)**	(2,642,350)
Effects of:		
Non taxable income	**19,593,075**	2,579,672
Relief claimed for carried forward losses	**-**	(168,100)
Expenses not deductible for tax purposes	**28,167**	62,678
Total tax charge for the year	**196,731**	(168,100)

Factors that may affect future tax charges

There are no significant factors affecting future tax charges.

13. Fixed asset investments

	Investments in subsidiary companies	Listed investments	Total
	£	£	£
Cost or valuation			
At 1 April 2024 (as restated)	**245,013,909**	**-**	**245,013,909**
Additions	**-**	**3,049,211**	**3,049,211**
Disposals	**(8,315,059)**	**-**	**(8,315,059)**
Impairment	**(82,549,088)**	**-**	**(82,549,088)**
At 31 March 2025	**154,149,762**	**3,049,211**	**157,198,973**

The carrying value of Investments in subsidiary companies represents cost of £288,575,358 (2024 - £296,890,417) less impairments of £134,425,596 (2024 - £51,876,508).

Subsidiaries

Details of the company's subsidiaries and associated companies at 31 March 2025 are as follows:

Name	Registered office	Class of share	Holdings
Tech Mahindra CZ a.s.	Czech Republic	Ordinary	100%
Tech Mahindra Communications Japan Co.Ltd	Japan	Ordinary	100%
Perigord Assets Holdings Limited	Ireland	Ordinary	100%
Com Tec Co IT Limited	Cyprus	Ordinary	100%
SWFT Technologies Limited	Cyprus	Ordinary	25%
Surance Ltd	Israel	Ordinary	26%

Included in Com Tec Co IT Limited are CTCo SIA, CTDev LLC and CTC IT ES, which are subsidiaries and indirect holdings of Tech Mahindra London Limited.

Included in SWFT Technologies Limited are TSN Digital Limited, Swifterio UK and Swifterio INC, which are subsidiaries and indirect holdings of Tech Mahindra London Limited.

Included in Perigold Assets Holdings Limited are Perigord Premedia Limited, Perigord Data Solutions Limited, Perigord Premedia USA Inc and August Faller Artwork Solutions Gmbh which are subsidiaries and indirect holdings of Tech Mahindra London Limited.

14. Debtors

	2025	2024
	£	£
Due after more than one year		
Withholding tax recoverable	**-**	64,821
Deferred tax asset	**-**	168,100
	-	232,921

	2025	As restated 2024
	£	£
Due within one year		
Amounts owed by group undertakings	**27,351,885**	24,179,733
Other debtors	**260**	-
	27,352,145	24,179,733

Included in amounts owed by group undertakings is an amount due from a subsidiary Com Tec Co IT Limited in relation to a repayment of its share premium of £12,318,526 (2024 - £8,493,130).

15. Cash and cash equivalents

	2025	2024
	£	£
Cash at bank and in hand	**210,724**	124,022
	210,724	124,022

16. Creditors: Amounts falling due within one year

	2025	2024
	£	£
Trade creditors	**-**	289
Corporation tax	**28,846**	77
Other taxation and social security	**-**	95
Other creditors	**3,314,505**	14,715,347
Accruals and deferred income	**750**	22,261
	3,344,101	14,738,069

Other creditors includes contractual obligations due on the investment purchase of Com Tec Co IT Limited and Perigord Assets Holdings Limited of £3,308,005 (2024: £14,715,346).

17. Share capital

	2025	Restated 2024
	£	£
Allotted, called up and fully paid		
266,526,578 (2024 - 262,026,578) Ordinary shares of £1 each	**262,026,578**	266,526,578

On 29 August 2024, the company issued 4,500,000 Ordinary £1 shares at par value.

18. Reserves

Profit and loss account

Profit and loss account includes all current and prior year retained profits and losses.

19. Related party transactions

The company has adopted the exemption permitted by Financial Reporting Standard 102, not to disclose any transactions with wholly owned members of the group.

Amounts receivable from group companies, which are not wholly owned amount to £584,842 (2024: £585,228).

20. Post balance sheet events

There are no subsequent events that require disclosure or adjustments to the financial statements.

21. Controlling party

The immediate and ultimate controlling party of Tech Mahindra London Limited is Tech Mahindra Limited, which owns 100% of the issued share capital or the Company.

Tech Mahindra Limited prepared group accounts which include these accounts and which are publicly available from their registered office.

22. Prior period reclassification

During the prior period, Com Tec Co IT Ltd, a subsidiary of Tech Mahindra London Limited, reduced its share premium by €18,070,000 of which only a portion was repaid to the Company during the prior year. The prior year accounts have therefore been restated to reclassify £8,493,130 from investments to Amounts owed by group undertakings. There has been no effect on gross assets, net assets, or the Statement of comprehensive income as a result of this restatement.

	2024 £
Investments (as previously recorded)	253,507,039
Prior period reclassification	(8,493,130)
Restated investments	245,013,909

	2024 £
Amounts owed by group undertakings (as previously recorded)	15,686,603
Prior period reclassification	8,493,130
Restated amounts owed by group undertakings	24,179,733

In addition, £2 has been reclassified from share capital to opening reserves to correct the misstatement in share capital.

DETAILED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£
Administration expenses	**(238,254)**	(250,712)
Operating loss	**(238,254)**	(250,712)
Interest income	**861,359**	403,686
Investment income	**(78,321,149)**	(10,722,373)
Tax on loss on ordinary activities	**(196,731)**	168,100
Loss for the year	**(77,894,775)**	(10,401,299)

SCHEDULE TO THE DETAILED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£
Administration expenses		
Telephone and fax	**(232)**	1,396
Legal and professional	**(5,638)**	38,419
Accountancy	**11,500**	10,000
Bank charges	**746**	4,425
Difference on foreign exchange	**184,629**	195,441
Sundry debtor written off	**65,744**	-
Rent	**913**	1,031
Stamp duty	**47,849**	-
Sundry creditor written off	**(67,257)**	-
	238,254	250,712

	2025	2024
	£	£
Interest income		
Interest receivable from group companies	**861,359**	403,686
	861,359	403,686

2024£

	2025	2024
Investment income	£	£
Income from other fixed asset investments	**51,151**	181,794
Dividends receivable from group companies	**-**	13,349,318
Amounts written off Investments in non-current financial assets	**(82,549,088)**	(51,876,508)
Amounts written off of liabilities	**4,176,788**	27,623,023
	(78,321,149)	(10,722,373)

Company name:	**Tech Mahindra CZ a.s.**
Legal form:	Joint-stock company
Identification No.:	270 70 115
Registered office of the company:	Prague 8, Voctářova 2449/5, 180 00
Company address:	Voctářova 2449/5, 180 00 Prague 8
Capital:	**25 500 000,00 CZK**
Shares:	Total 51 shares per owner at face value of CZK 500.000,00 /piece
Establishment of the company:	23. 6. 2003
Entry in the Commercial Register:	23. 6. 2003
Subject of business:	Preparation and elaboration of technical designs, graphic and drawing work
Composition of statutory bodies:	Board of directors chairman VENKATESWARA RAO GAJJALA member BALAKRISHNA SHETTY member KAREL KOLLERT
Persons involved in the entity's Capital of more than 20%	TECH MAHINDRA LONDON LIMITED with the share of 100 %
Accounting period:	From 1. 4. 2024 until 31. 3. 2025
Number of employees:	As of 1. 4. 2024 108 As of 31. 3. 2025 104
Place of keeping the Annual Report:	Company Secretariat
Companies on which the reporting company exercises decisive influence:	None

Tech Mahindra CZ a.s. is a supplier of engineering services in the field of mechanical engineering. It is 100 % subsidiary of TECH MAHINDRA LONDON LIMITED, which is a member of the Tech Mahindra Group.

The company's strategy is based on the overall Group's strategy:

"Helping customers improve their market position by providing comprehensive solutions in the field of engineering services (e.g., by transferring new knowledge and experience, reducing cost, accelerating and streamlining internal processes)."

REPORT ON THE COMPANY BUSINESS ACTIVITIES AND MANAGEMENT

Past and projected developments and outlook for the next period

The financial year 2024 was a year of stability in project execution with existing customers in all of the company's business areas.

Under the existing JSO Bundle contract for Airbus Group, including its extension beyond the three-year base period (for a further two years i.e. until 12/2027), there is currently a gradual and continuous increase in workload across all commercial programmes. This comes after several years of stagnation or only modest growth.

This trend, coupled with our currently very strong position as a strategic supplier, brings further promise of increased work in the future, while expanding our existing skills and experience in new areas and portfolios of work.

At the beginning of March this year, a supplier meeting was held in Airbus (Hamburg), Germany, as part of the "Cabin & Cargo Engineering Supplier Roadshow 2025".

The subsequent direct meeting with the customer's top management confirmed our important role as a strategic supplier and brought assurances of further deepening cooperation in all areas of cabin interior and other related activities.

In addition to the Airbus Group's as our key customer, continues our cooperation with another important aviation customer, Safran Group.

Following the successful finalisation of the projects for the A350 Emirates (01 + 02), A350 Swiss and A380 for British Airways, a contract for a comprehensive monument design for A330Neo for T'way airlines has been secured. In addition to the standard contractor work, i.e. mechanical and electrical work, we extended this contract to include structural calculations.

This is thus the first project in the aviation sector where, after numerous negotiations, we have managed to win such a comprehensive contract, which will also be the initial reference for the further growth of similar projects in the aviation sector.

At the same time, we get our first projects for the Service Engineering department at Safran Cabin Germany. We are currently carrying out projects for mechanical work, but the aim will be to expand our activities to include electrical work, similarly for the construction of monuments for the new HoV.

We continue to work with our Spanish partner, Aertec, in the field of an embedded system engineering for our customer Safran Group.

These are mainly projects for the development, testing and support in the control of the certification documents of these embedded systems, the so-called "inserts".

The Work continues for the Bucher Group for the design of similar products.

In the Machinery and Rail areas, work continued uninterrupted in FY 2024.

In cooperation with NUVIA CZ a.s. we managed to successfully continue in the design, construction and verification work on the project "Cranes for CADARACHE", which was in the mode of production and testing of prototypes with subsequent production and transport with assembly in France. This is a project for the nuclear power industry.

We also consider as a success a continuing of the qualified cooperation with Doosan Škoda Power a.s. on its projects of axial steam turbines for power units of thermal power plants.

In Rail, we were able to further extend our cooperation with our main customer ŠKODA TRANSPORTATION a.s. to all of its ongoing projects, such as tram interiors for Bonn, Kassel, Bergamo and Prague. We have also carried out design and construction work on the interior of a new tram almost 50 metres long for Bratislava. Cooperation on the EMU 400 single-deck electric rail vehicle projects, or on battery versions of the BEMU units, for end customers in Bulgaria, Latvia, the Czech Republic and the Slovak Republic is still ongoing.

We managed to renew cooperation on the development and design of production documentation for welding fixtures.

The cooperation with ŠKODA EKOVA a.s. also continued successfully in the area of validation of calculations of modernised parts of the M31 tram for the transport company in Gothenburg, Sweden.

The company strives to improve the working conditions of its employees by improving the quality of production facilities (full-scale hardware replacement). It takes care of employee satisfaction by extending employee benefits.

In addition to the above-mentioned events, another important milestone in the life of the company, is the change of the company's business name to Tech Mahindra CZ a.s. with the effective date of registration in the Commercial Register on 26.03.2025.

Parallel to this change, processes are gradually being integrated into the owner's management system. This integration process clearly confirms the long-term strategic intention of the owner for the further growth of our company.

Among the important events expected in the new business and financial year is traditionally the presentation of Tech Mahindra CZ a.s. together with the owner TechM at the Aircraft Interiors Expo in Hamburg, Germany, from 14 - 16 April 2026. The Innotrans fair in Berlin, which will be held from 22 September to 25 September 2026 for the rolling stock sector, will also be the focus of our interest.

In the second quarter of FY'26, we expect a new JSO Bundle tender from Airbus Group's Cabin & Cargo customer. In addition to maintaining delivery of existing activities, the objective will be to win additional projects in the design and development area.

The management of Tech Mahindra CZ a.s. would like to express its gratitude and appreciation to all the employees for the work done in the past period and for the trust and loyalty shown to the company.

Research & Development activities

The company did not spend any funds on Research & Development in financial year 2024.

Activities in the field of environment and labour relations

The company adheres to all regulations in the field of labour relations and creates good working conditions. The company has no environmental activities.

Information on facts occurring after the balance sheet date

After the balance sheet date until the date of preparation of the accounts, there were no facts that were material and are not described in the notes to the financial statements.

Affidavit

The data provided in the Annual Report of Tech Mahindra CZ a.s. for the period from 1st April 2024 to 31st March 2025 correspond to facts and no material circumstances that could affect the precise and correct assessment of the company were omitted.

In Prague on May 16th 2025

Ing. Karel Kollert
Member of the Board of Directors

FINANCIAL STATEMENT FOR THE PERIOD ENDED 31 MARCH 2025

Company name:	Tech Mahindra CZ a.s.
Registered office of the company:	Voctářova 2449/5, 180 00 Prague 8
Legal form:	Joint-stock company
Identification No:	270 70 115

Components of financial statements:

Balance sheet

Income statements

Statement of changes in equity

Statement of cash flows

Notes

The financial statement was prepared on May 16, 2025.

Statutory body of the entity:

Ing. Karel Kollert
Member of the Board of Directors

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Tech Mahindra CZ a.s

Opinion

We have audited the accompanying financial statements of Tech Mahindra CZ a.s. (hereinafter also the "Company") ID 270 70 115, prepared in accordance with accounting principles generally accepted in the Czech Republic, which is comprised of the balance sheet as at 31 March 2025, the income statement, statement of changes in equity and cash flow statement for the period from 1 April 2024 to 31 March 2025 and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information. For details of the Company, see the introductory part of the notes to the financial statements.

In our opinion, the financial statements give a true and fair view of the financial position of Tech Mahindra CZ a.s. as at 31 March 2025, of its financial performance and its cash flows for the period from 1 April 2024 to 31 March 2025 in accordance with accounting principles generally accepted in the Czech Republic.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under this law and regulation 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 Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic 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.

Other Information

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the financial statements and auditor's report thereon. The Statutory Body is responsible for the other information.

Our opinion on the financial statements does not cover the other information. 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 financial statements or our knowledge about the Company obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law and regulation, in particular, whether the other information complies with law and regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and

- The other information is prepared in compliance with applicable law and regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Company obtained in the audit, on whether the other information contains any material misstatement of fact. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement of fact.

Responsibilities of the Company's Statutory body for the Financial Statements

Statutory body is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the Czech Republic and for such internal control as Statutory body determine 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, the Statutory body 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 the Statutory body either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 the above mentioned laws and regulations 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 the above law or regulation, we exercise professional judgment and maintain professional scepticisms 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 Statutory body.

- Conclude on the appropriateness of the Statutory body 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 the Statutory body 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.

In Prague, 16th May 2025

Audit firm:	Statutory auditor:
HEDLEY AUDIT s.r.o. Audit firm licence No. 545	Ing. Helena Vojáčková Auditor licence No.1910

Translation note

This version of our report is a translation from the original, which was prepared in the Czech language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the Czech version of our report takes precedence over this translation.

BALANCE SHEET

TECH MAHINDRA CZ A.S.

full version

IČO 270 70 115

As of
31-March-2025
(in CZK thousand)

Voctářova 2449/5, Libeň
180 00 Praha 8

		31-Mar-2025			31-Mar-2024
		Gross	**Adjustment**	**Net**	**Net**
	TOTAL ASSETS	**367,192**	**237,082**	130,110	129,220
B.	**Fixed assets**	**240,679**	**236,912**	3,767	3,476
B.I.	**Intangible fixed assets**	**230,129**	**230,129**		5
B.I.2.	Valuable rights	**226,985**	**226,985**		5
B.I.2.1.	Software	**226,985**	**226,985**		5
B.I.5.	Prepayments for intangible fixed assets and Intangible	**3,144**	**3,144**		
B.I.5.2.	Intangible fixed assets under construction	**3,144**	**3,144**		
B.II.	**Tangible fixed assets**	**10,550**	**6,783**	3,767	3,471
B.II.1.	Land and structures				
B.II.1.2.	Structures				
B.II.2.	Tangible movable assets and sets of tangible movable assets	**10,550**	**6,783**	3,767	3,471
B.II.5.	Prepayments for tangible fixed assets and tangible fixed assets under construction				
B.II.5.2.	**Tangible fixed assets under construction**				
C.	**Current assets**	**119,917**	**170**	119,747	122,459
C.I.	**Inventories**	**25,538**		119,747	122,459
C.I.1.	Material				
C.I.2.	Work in progress and semifinished goods	**25,538**		25,538	13,404
C.I.4.	Young and other animals and their groups				
C.I.5.	Prepayments for inventories				
C.II.	**Receivables**	**43,935**	**170**	43,765	61,549
C.II.1.	Long-term receivables	**7,315**		7,315	8,686
C.II.1.4.	Deferred tax asset	**4,576**		4,576	6,179
C.II.1.5.	Receivables - other	**2,739**		2,739	2,507
C.II.1.5.2.	Long-term prepayments made	**5**		5	5
C.II.1.5.4.	Sundry receivables	**2,734**		2,734	2,502
C.II.2.	**Short-term receivables**	**36,620**	**170**	36,450	52,863
C.II.2.1.	Trade receivables	**24,360**	**170**	24,190	40,572
C.II.2.4.	Receivables - other	**12,260**		12,260	12,291
C.II.2.4.1.	Receivables from partners				
C.II.2.4.3.	State - tax receivables	**470**		470	
C.II.2.4.4.	Short-term prepayments made	**3,545**		3,545	3,108
C.II.2.4.5.	Estimated receivables	**7,575**		7,575	8,995
C.II.2.4.6.	Sundry receivables	**670**		670	188
C.IV.	Cash	**50,444**		50,444	47,506
C.IV.1.	Cash on hand	**169**		169	175
C.IV.2.	Cash at bank	**50,275**		50,275	47,331
D.	**Other assets**	**6,596**		6,596	3,285
D.1.	Deferred expenses	**6,596**		6,596	3,285

		31-Mar-2025	31-Mar-2024
	TOTAL LIABILITIES & EQUITY	**130,110**	129,220
A.	**Equity**	**103,269**	97,953
A.I.	**Share capital**	**25,500**	25,500
A.I.1.	Share capital	**25,500**	25,500
A.II.	**Share premium and capital funds**	**180,827**	180,827
A.II.2.	Capital funds	**180,827**	180,827
A.II.2.1.	Other capital funds	**180,827**	180,827
A.III.	**Funds from profit**	**100**	100
A.III.1.	Other reserve funds	**100**	100
A.IV.	**Retained earnings (+/-)**	**-108,474**	-130,162
A.IV.1.	Accumulated profits or losses brought forward (+/-)	**-108,474**	-20,536
A.IV.2.	Other profit or loss from prior years (+/-)		-109,626
A.V.	**Profit or loss for the current period (+/-)**	**5,316**	21,688
B.+C.	**Liabilities**	**25,697**	29,366
B.	**Reserves**	**5,317**	6,264
B.IV.	Other reserves	**5,317**	6,264
C.	**Payables**	**20,380**	23,102
C.II.	**Short-term payables**	**20,380**	23,102
C.II.3.	Short-term prepayments received		
C.II.4.	Trade payables	**1,920**	3,807
C.II.8.	Other payables	**18,460**	19,295
C.II.8.3.	Payables to employees	**6,236**	6,563
C.II.8.4.	Social security and health insurance payables	**3,153**	3,301
C.II.8.5.	State - tax payables and subsidies		1,209
C.II.8.6.	Estimated payables	**9,071**	8,222
D.	**Other liabilities**	**1,144**	1,901
D.1.	Accrued expenses	**1,144**	1,901

PROFIT AND LOSS ACCOUNT

structured by the nature of expense method
Year ended
31-March-2025
(in CZK thousand)

TECH MAHINDRA CZ A.S.

IČO 270 70 115
Voctářova 2449/5, Libeň
180 00 Praha 8

		Period from 1.4.2024 to 31.3.2025	Period from 1.4.2023 to 31.3.2024
I.	Sales of products and services	**171,350**	191,721
II.	Sales of goods		
A.	**Purchased consumables and services**	**60,448**	67,627
A.1.	Costs of goods sold		
A.2.	Consumed material and energy	**1,014**	1,621
A.3.	Services	**59,434**	66,006
B.	Change in internally produced inventory (+/-)	**-12,134**	-2,034
D.	Staff costs	**114,443**	112,921
D.1.	Payroll costs	**83,909**	82,943
D.2.	Social security and health insurance costs and other charges	**30,534**	29,978
D.2.1.	Social security and health insurance costs	**28,385**	28,124
D.2.2.	Other charges	**2,149**	1,854
E.	Adjustments to values in operating activities	**1,536**	-1,068
E.1.	Adjustments to values of intangible and tangible fixed assets	**1,673**	307
E.1.1.	Adjustments to values of intangible and tangible fixed assets - permanent	**1,673**	501
E.1.2.	Adjustments to values of intangible and tangible fixed assets - temporary		-194
E.3.	Adjustments to values of receivables	**-137**	-1,375
III.	Other operating income	**80**	
III.3.	Sundry operating income	**80**	
F.	Other operating expenses	**-226**	1,292
F.3.	Taxes and charges	**334**	288
F.4.	Reserves relating to operating activities and complex deferred expenses	**-947**	582
F.5.	Sundry operating expenses	**387**	422
*	**Operating profit or loss (+/-)**	**7,363**	12,983
J.	Interest expenses and similar expenses		
J.1.	Interest expenses and similar expenses - controlled or controlling entity		
VII.	Other financial income	**3,813**	6,261
K.	Other financial expenses	**4,257**	3,735
*	**Financial profit or loss (+/-)**	**-444**	2,526
**	**Profit or loss before tax (+/-)**	**6,919**	15,509
L.	Income tax	**1,603**	-6,179
L.2.	Deferred income tax (+/-)	**1,603**	-6,179
**	**Profit or loss net of tax (+/-)**	**5,316**	21,688
***	**Profit or loss for the current period (+/-)**	**5,316**	21,688
*	Net turnover for the current period	**171,350**	

STATEMENT OF CHANGES IN EQUITY

TECH MAHINDRA CZ A.S.

IČO 270 70 115

Year ended
31-March-2025
(in CZK thousand)

Voctářova 2449/5, Libeň
180 00 Praha 8

	Share capital	Capital funds	Funds from profit, reserve fund	Accumulated profits or losses brought forward	Profit or loss for the current period	TOTAL EQUITY
Balance at 1 April 2023	**25,500**	**180,827**	**100**	**-130,162**	**21,688**	**97,953**
Distribution of profit or loss				21,688	-21,688	
Profit or loss for the current period					5,316	5,316
Balance at 31 March 2024	**25,500**	**180,827**	**100**	**-108,475**	**5,316**	**103,268**

CASH FLOW STATEMENT

TECH MAHINDRA CZ A.S.

IČO 270 70 115

Year ended
31-March-2025
(in CZK thousand)

Voctářova 2449/5, Libeň
180 00 Praha 8

		Period from 1.4.2024 to 31.3.2025	Period from 1.4.2023 to 31.03.2024
P.	**Opening balance of cash and cash equivalents**	**47,506**	38,338
	Cash flows from ordinary activities (operating activities)		
Z.	**Profit or loss before tax**	**6,919**	15,509
A.1.	Adjustments for non-cash transactions	**589**	-485
A.1.1.	Depreciation of fixed assets	**1,673**	501
A.1.2.	Change in provisions and reserves	**-1,084**	-987
A.1.5.	Interest expense and interest income		
A.1.6.	Adjustments for other non-cash transactions		1
A.*	**Net operating cash flow before changes in working capital**	**7,508**	15,024
A.2.	Change in working capital	**-2,606**	-3,844
A.2.1.	Change in operating receivables and other assets	**13,007**	-5,871
A.2.2.	Change in operating payables and other liabilities	**-3,479**	4,061
A.2.3.	Change in inventories	**-12,134**	-2,034
A.**	**Net cash flow from operations before tax**	**4,902**	11,180
A.3.	Interest paid		
A.***	**Net operating cash flows**	**4,902**	11,180
	Cash flows from investing activities		
B.1.	Fixed assets expenditures	**-1,964**	-2,012
B.***	**Net investment cash flows**	**-1,964**	-2,012
	Cash flow from financial activities		
C.1.	Change in payables from financing		
C.2.	Impact of changes in equity		
C.2.3.	Other cash contributions made by partners		
C.***	**Net financial cash flows**		
F.	**Net increase or decrease in cash and cash equivalents**	**2,938**	9,168
R.	**Closing balance of cash and cash equivalents**	**50,444**	47,506

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

1. DESCRIPTION OF THE COMPANY

Tech Mahindra CZ a.s. is a joint stock company seated at Prague 8, Voctářova 2449/5, 180 00, Czech Republic, identification number 270 70 115. The Company was incorporated following its registration in the Register of Companies held by the Court in Prague on 23 June 2003, section B, part 8494.

The principal activities of the Company are preparation and elaboration of technical designs, graphic and drawing work.

These financial statements are prepared as individual financial statements.

The company complies with the Commercial Act in its entirety.

There are no agreements between shareholders stipulating control without respect to the share on share capital.

There is no profit transfer agreement either agreement to perform control.

These financial statements are presented in thousands of Czech crowns (CZK '000), unless stated otherwise.

The following table shows individuals and legal entities with an equity interest greater than 20 percent and the amount of their equity interest:

Shareholder	% on share capital
TECH MAHINDRA LONDON LIMITED	100 %
Total	**100 %**

Board of Directors at 31 March 2025

	Function	Name
Board of Directors	Chairman	Belavadi Krishna Rao Sathisha
	Member	Venkateswara Rao Gajjala
	Member	Karel Kollert

Changes and amendments made in the period from 1 April 2024 to 31 March 2025 at the Register of Companies:

Trading name: TC INTER-INFORMATICS a.s. - deleted 26 March 2025
Tech Mahindra CZ a.s. - registered 26 March 2025

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Company's accounting books and records are maintained and the financial statements were prepared in accordance with the Accounting Act 563/1991 Coll., as amended; the Regulation 500/2002 Coll. which provides implementation guidance on certain provisions of the Accounting Act for reporting entities that are businesses maintaining double-entry accounting records, as amended; and Czech Accounting Standards for Businesses, as amended.

Financial statements are prepared as of 31 March 2025 and for the period from 1 April 2024 to 31 March 2025 (hereinafter "year 2024").

3. ACCOUNTING PRINCIPLES AND POLICIES AND THEIR CHANGES

The company used the following measurement basis during preparation of financial statements for 2024:

a) Intangible fixed assets

Intangible fixed assets are measured at costs that include cost of purchase and other costs associated with the acquisition.

Internally generated intangibles are measured at internal costs incurred.

Intangibles with cost exceeding CZK 60 thousand in 2024 are amortized to expenses.

Method of amortization - the company amortizes intangibles in accordance with Income Tax Act.

Capital expenditure increases the cost of intangible assets. Repairs and maintenance expenditure is expensed when incurred.

Provisioning

Provisions were made against impaired/obsolete intangible fixed assets based on the results of the inventory taking, to the extent that the valuation temporarily does not correspond with the actual balance.

b) Tangible fixed assets

Tangible fixed assets are measured at costs that include cost of purchase and other costs associated with the acquisition.

Tangibles with cost exceeding CZK 10 thousand in 2024 are depreciated.

Method of depreciation – the company depreciates tangibles in accordance with Income Tax Act.

Capital expenditure increases the cost of tangible assets. Repairs and maintenance expenditure is expensed when incurred.

c) Cash

Cash consists of stamps, cash in hand and cash at bank. Cash is measured at nominal value.

d) Inventory

Inventory is accounted for under method B.

Work is measured at costs incurred. Costs incurred are measured at actual costs determined by the entity. Costs incurred include direct costs and may include also attributable indirect costs related to the period.

e) Receivables

Upon origination, receivables are stated at their nominal value as subsequently reduced by appropriate provisions for doubtful and bad amounts. Receivables acquired for consideration or as an investment to the equity are stated at cost less provisions for doubtful and uncollectible amounts.

The Company recognizes provisions for receivables based on ageing analysis and individual assessment.

Estimated receivables are measured based on best professional estimates and judgements.

f) Equity

Share capital is recognized in the amount registered at the Commercial Register of the City Court of Prague. Contributions exceeding share capital are recognized as other capital funds. They consist of monetary contributions exceeding the amount of share capital.

The company can create other capital funds based on the resolution of annual meeting.

g) Liabilities

Long-term and current liabilities are measured at nominal values.

Estimated liabilities are measured based on best professional estimates and judgements.

h) Reserves

Reserves to cover liabilities and expenditure the nature of which is clearly defined and which are either likely to be incurred or certain to be incurred as of the balance sheet date but uncertain as to their amount or as to the date on which they will arise.

The company creates reserves for known risks for which a future probable liability is assumed, in particular a restructuring reserve, a reserve for outstanding vacation days and anniversaries, a reserve for repairs under warranty.

i) Leasing

Lease repayments are expensed as incurred. The initial lump-sum payment related to leases is amortised and expensed over the lease period.

j) Foreign currency translation

Assets and liabilities acquired for foreign currency are measured at Czech crowns at an exchange rate ruling at the date of the transaction. Monetary items were translated as of the balance sheet using Czech National Bank exchange rates as at 31.3.

All exchange gains and losses are recognized as financial income or financial expenses in the income statement.

k) Accounting for revenue and expenses

Revenue and expenses are recognized on an accrual basis in the period to which they relate.

l) Income tax

Tax expense is calculated using the actual tax rate and accounting profit increased or decreased by temporarily or permanently non-deductible expenses and non-taxable income. Further the tax base is adjusted for gifts, other items like tax losses, research and development incentives and tax reliefs.

Deferred tax represents tax impact of temporary differences between carrying amounts of assets and liabilities and their tax bases taking into account the moment of realization. In accordance with the prudence principle the entity does not recognize deferred tax assets.

m) Subsequent events

The impact of events occurring between the balance sheet date and the date of preparation of financial statements is recognized if these events provided additional information about transactions existing at balance sheet date.

The impact of significant events occurring between the balance sheet date and the date of preparation of financial statements is disclosed in the notes to the financial statements if these events relate to transactions occurring after the balance sheet date.

4. NON-CURRENT ASSETS

a) Intangible non-current assets (CZK thousand)

Cost

	Balance b/f 1 April 2024	Additions	Disposals	Transfers	Balance c/f 31 March 2025
Software	226,985	-		-	226,985
Assets under course of construction	3,144	-	-	-	3,144
Total	230,129	-		-	230,129

Accumulated depreciation and provisions

	Balance b/f 1 April 2024	Amortiz.	Sale/ liquidation/ Disposal	Provision/ Impairment	Balance c/f 31 March 2025
Software	226,980	5		-	226,985
Assets under course of construction	3,144	-	-	-	3,144
Total	230,124	5		-	230,129

Carrying amount

	At 31 March 2023	At 31 March 2024
Software	5	0
Assets under course of construction	-	-
Total	5	0

b) Tangible non-current assets (CZK thousand)

Cost

	Balance b/f 1 April 2024	Additions	Disposals	Transfers	Balance c/f 31 March 2025
Land and buildings	0				0
Plant and equipment	8,586	1,964			10,550
Total	8,586	1,964			10,550

Accumulated depreciation and provisions

	Balance b/f 1 April 2023	Depreciat.	Sale/ Liquidation/ Disposal	Transfers	Balance c/f 31 March 2025
Land and buildings	0				0
Plant and equipment	5 115	1 668		-	6 783
Total	5 115	1 668			6 783

Carrying amount

	At 31 March 2024	At 31 March 2025
Land and buildings	**0**	0
Plant and equipment	**3,471**	3,767
Total	**3,471**	3,767

Total cost of tangibles not recognized in balance amounted to:

At 31 March 2025: CZK 38 thousand (at 1 April 2024: CZK 99 thousand).

5. INVENTORY

The company recognized own products at 31 March 2025 in the amount of CZK 25 538 thousand (at 1 April 2024: CZK 13 404 thousand).

6. RECEIVABLES

Overdue receivables (CZK thousand)

	At 31 March 2025	At 31 March 2024
Up to 30 days overdue	**1,019**	1,119
Up to 60 days overdue	**1,730**	185
Up to 90 days overdue	**0**	13
Up to 365 days overdue	**57**	20
Over 365 days overdue	**0**	0
Total overdue receivables	**2,806**	1,337

Provision for bad debts (CZK thousand):

As of 31 March 2024	307
Release of provisions	307
Creation of provisions	170
As of 31 March 2025	170

There are no receivables more due in more than 5 years.

Estimated receivables consist mainly of expected receivables for unbilled services.

7. PREPAYMENTS

Prepayments include mostly rent of licences, rent of hardware, training. They are expensed in a period they relate to.

8. EQUITY

Share capital consists of 51 shares fully paid up with a nominal value of CZK 500,000 each. Other capital funds in the amount of CZK 180,827 thousand as of 31 March 2025 represent contributions beside share capital (as of 31 March 2024: CZK 180,827 thousand).

9. PROVISIONS

	Balance b/f 1 April 2023	Recognition	Release	Balance c/f 31 March 2024
Restructuralization	0	0		0
Unused vacation	4,807	3,201	-3,902	4,106
Other employee benefits	94	201	-94	201
Reserve for repairs under warranty	1,363	95	-448	1,010
Total	6,264	3,497	-4,444	5,217

10. LIABILITIES

The Company has no liabilities due in more than 5 years.

Long-term liabilities at 31 March 2025 amount to CZK 0 thousand (at 31 March 20233: CZK 0 thousand). Current liabilities at 31 March 2025 amount to CZK 20,380 thousand, including trade payables of CZK 1,920 thousand (at 31 March 2024: CZK 23,102 thousand, including trade payables of CZK 3,807 thousand).

Accruals represent mainly subcontracts and services provided in 2024.

Related party liabilities are presented in note 15.

11. INCOME TAX

Analysis of deferred tax asset:

- difference between carrying amount and tax base of non-current assets: CZK 660 thousand
- provisions related to non-current assets: CZK 36 thousand
- provisions: CZK 1,117 thousand
- unused tax losses: CZK 2,763 thousand

In view of the expected profits in future periods, the entity accounted for a deferred tax asset of CZK 4,576 thousand.

12. REVENUE

Revenue from sale of services (CZK thousand)	Year 2024	Year 2025
1. Domestic sales	86,479	54,902
2. EU sales	81,528	90,584
3. Third countries	23,714	25,864
Revenue from sale of goods (CZK thousand)	0	0
Total	191,721	171,350

13. STAFF COSTS

Analysis of staff costs (CZK thousand):

	Total For 2024	Including: Board of directors	Total For 2025	Including: Board of directors
Average number of employees	107	3	104	3
Salaries	82,943	4,701	83,309	4,910
Social contribution and health insurance	28,124	1,685	28,385	1,784
Other	1,854	45	2,149	52
Total staff costs	112,921	6,431	114,443	6,746

In 2024 and 2023 no remuneration was paid to members of the management, control or administrative body by virtue of their function.

During 2024 and 2023 no advances, payments, loans or credits were provided to the members of the management, control or administrative body by virtue of their function. During 2024 and 2023 no pension liabilities arose for current or former members of the governing body.

14. FINANCIAL REVENUES AND EXPENSES

Other financial revenues mainly include foreign exchange gains. Other financial expenses include mainly exchange rate losses.

15. RELATED PARTIES

Receivables and liabilities (CZK thousand)

Receivables	Balance at 31 March 2024	Balance at 31 March 2025
(Mahindra Engineering Services) TECH MAHINDRA LONDON LIMITED	0	0
Tech Mahindra Limited	0	1,730
Total	0	1,730
Liabilities		
Tech Mahindra Limited	3,718	1,737
Total	3,718	1,737

Revenues and expenses (CZK thousand)

	Revenues	Expenses
Tech Mahindra Limited	13,051	4,533
Total	13,051	4,533

16. SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

No events occurred subsequent to the balance sheet date that would have a material impact on the financial statements.

	Share capital	Other capital funds	Revaluation fund	Reserve fund	Retained earnings	Total
Balance at 31 March 2023	25,500	180,827		100	-108,474	97,953
Liquidation of the controlled company	-	-		-	-	-
Net income for the current period	-	-	-	-	5,316	5,316
Balance at 31 March 2024	25,500	180,827	-	100	-103,158	103,269

18. GOING CONCERN ASSUMPTION

The financial statements as of 31 March 2025 have been prepared under going concern assumption.

Signed on: **16th May, 2025**

Name and signature of the
The Company Representative:

Ing. Karel Kollert
Member of the Board of directors

TECH MAHINDRA TECHNOLOGY SERVICES LLC

Management Certified Financial Statements
for the year ended 31st December, 2024

Board of Directors
Sandeep Phadke, Director

General Director
Litvinov Sergey

Registered Office
115114, Moscow, Letnikovskaya st. 2,
bld. 1, area I, room 1, Russia

BALANCE SHEET AT DECEMBER, 31ST, 2024

			Codes
		Form № per OKUD	0710001
		Date (year, month, date)	31 12 2024
Organization	TECH MAHINDRA TECHNOLOGY SERVICES LLC	per OKPO	54223529
TIN	9704042589	TIN	9704042589
Type of activity		per OKVED	73.11
Organizational-legal form/form of ownership	Limited liability company/Foreign property	per OKOPF/OKFS	12300 23
Unit of measure:	Thousand RUB	per OKEI	384
Location (address)	115114, Moscow, Letnikovskaya st., 2, building 1		

Indicator	Item	Code	at 31.12.2024	at 31.12.2023	at 31.12.2022
	ASSETS				
	I. NON-CURRENT ASSETS				
	Intangible assets	1110			
	Fixed assets	1150			
	Investments in tangibles	1160			
	Long-term financial investments	1170			
	Deferred tax assets	1180			
	Other non-current assets	1190			
	TOTAL for Section I	1100			
	II. CURRENT ASSETS				
	Inventory	1210			
	VAT on valuables acquired	1220		590	278
	Receivables	1230		629	619
	Short-term financial investments	1240			
	Monetary assets	1250		20	107
	Other current assets	1260			
	TOTAL for Section II	1200	0	1,240	1,004
	BALANCE	**1600**	**0**	**1,240**	**1,004**
	LIABILITIES				
	III. CAPITAL AND RESERVES				
	Charter capital	1310	1,000	1,000	1,000
	Own shares purchase from shareholders	1320	-	-	-
	Revalue of non-currene assets	1340	-	-	-
	Capital surplus	1350	2,000		
	Reserve capital	1360			
	Retained profit (uncovered loss)	1370	(3,644)	(6,098)	(3,793)
	TOTAL for Section III	1300	(644)	(5,098)	(2,793)
	IV. LONG-TERM LIABILITIES				
	Debts and borrowings	1410			
	Deferred tax liabilities	1420			
	Provisions for charges	1430			
	Other long-term liabilities	1450			
	TOTAL for Section IV	1400			

V. SHORT-TERM LIABILITIES				
Debts and borrowings	1510			
Payables	1520	438	6,169	3,692
Deferred revenues	1530			
Estimated liabilities	1540	206	169	105
Other short-term liabilities	1550			
TOTAL for Section V	1500	644	6,338	3,797
BALANCE	1700	(0)	1,240	1,004

Litvinov Sergey
General Director
Date: 21-05-2025

PROFITS AND LOSS STATEMENT 01.01.24 - 31.12.2024

			Codes
		Form № per OKUD	0710002
		Date (year, month, date)	31.12.2024
Organization	TECH MAHINDRA TECHNOLOGY SERVICES LLC	per OKPO	51172671
Taxpayer's Identification Number	9704042589	TIN	7714359119
Type of activity		per OKVED	73.11
Organizational-legal form/form of ownership		per OKOPF/OKFS	12300 23
Limited liability company/Foreign property			
Unit of measure	Thousand RUB	per OKEI	384

Indicator	Item	Code	For the reporting period	For the same period of the previous year
	Revenue	2110		
	Costs of sales	2120	(1,631)	
	Gross profit	2100	(1,631)	0
	Commercial expenses	2210		
	Management expenses	2220		(2,078)
	Profit (loss) on sales	2200	(1,631)	(2,078)
	Income from participation in other organizations	2310		
	Interest receivable	2320		
	Interest payable	2330		
	Other income	2340	6,652	66
	Othes expenses	2350	(2,129)	(294)
	Profit (loss) before taxes	2300	2,892	(2,305)
	Current profit tax	2410	(438)	
	Permanent tax liabilities	2421	(438)	
	Changing deferred tax liabilities	2430		
	Changing deferred tax assets	2450		
	Others	2460		
	Net profit (loss) of the reporting period	2400	2,454	(2,305)

Indicator	Item	Code	For the reporting period	For the reporting period
	Revalue of non-current assets	2510		
	Other operations balance	2520		
	Net profit (loss) of the reporting period	2500	2,454	(2,305)
	Basic earnings (loss) per share	2900		
	Diluted earnings (loss) per share	2910		

Litvinov Sergey
General Director
Date: 21-05-2025

STATEMENT OF CHANGES IN THE SHAREHOLDER'S EQUITY 01.01.24 - 31.12.2024

			Codes
		Form No. 3 - OKUD code	0710001
		Date (DDMMYY)	31.12.2024
Organization	TECH MAHINDRA TECHNOLOGY SERVICES LLC	OKPO code	54223529
Taxpayer's Identification Number	9704042589	TIN	7714359119
Type of activity		OKVED code	73.11
Organizational-legal form/form of ownership	Limited liability company/Foreign property	OKOPF/OKFS code	12300/23
Unit of measure:	Thousand RUB	OKEI code	384

I. CHANGE IN CAPITAL

Description	Code	Charter capital	Treasury shares	Additional capital	Reserve capital	Retained earnings (loss)	Total
Balance at December 31, 2022	3100	1,000		-		(3,793)	(2,793)
For 2023							
Capital increase - total:	3210					-	-
including							
net profit	3211						
income from fixed assets revaluation	3212						
income booked to capital increase	3213						
additional issue of shares	3214						
increase in the par value of shares	3215						
reorganization of the legal entity	3216						
Capital decrease - total:	3220					(2,305)	(2,305)
including						-	-
net losses	3221	-	-	-	-	(2,305)	(2,305)
losses from fixed assets revaluation	3222	-	-	-	-		
expenses booked to capital decrease	3223	-	-	-	-		
decrease in the par value of shares	3224	-	-	-	-		
decrease in the number of shares	3225	-	-	-	-		
reorganization of the legal entity	3226	-	-	-	-		
dividends	3227	-	-	-	-		
Additional capital change	3230	-	-	-	-		
Reserve capital change	3240	-	-	-	-		
Balance as of December 31, 2023	3200	1,000		-		(6,098)	(5,098)
For 2024		-	-	-	-	-	-
Capital increase - total:	3310		-	-	-		
including		-	-	-	-		
net profit	3311	-	-	-	-	2,454	2,454
income from fixed assets revaluation	3312	-	-	-	-	-	
income booked to capital increase	3313	-	-	-	-		
additional issue of shares	3314	-	-	-	-		
increase in the par value of shares	3315	-	-	-	-		
reorganization of the legal entity	3216	-	-	-	-		

Description	Code	Charter capital	Treasury shares	Additional capital	Reserve capital	Retained earnings (loss)	Total
Capital decrease - total:	3320	-	-	-	-	-	-
including		-	-	-	-	-	-
net losses	3321	-	-	-	-	-	-
losses from fixed assets revaluation	3322	-	-	-	-	-	-
expenses ralated to capital decrease	3323	-	-	-	-	-	-
decrease in the par value of shares	3324	-	-	-	-	-	-
decrease in the number of shares	3325	-	-	-	-	-	-
reorganization of the legal entity	3326	-	-	-	-	-	-
dividends	3327	-	-	-	-	-	-
Additional capital change	3330	-	-	-	-	-	-
Reserve capital change	3340	-	-	-	-	-	-
Balance as of December 31, 2023	3300	1,000		2,000		(3,644)	(644)

II. Capital adjustment due to accounting policy changes and prior year errors correction

Description	Code	Balance as of December 31, 2022	Capital change for 2023		Balance as of December 31, 2023
			through net profit/ (loss)	other	
Capital - total		(2,793)	(2,305)		(5,098)
before adjustment	3400				
Adjustment incl.					
Accounting policy change	3410				
errors correction	3420				
after adjustment	3500	(2,793)	(2,305)		(5,098)
incl.:					
Retained earnings					
before adjustment	3401	(3,793)	(2,305)		(6,098)
Adjustment incl.					
Accounting policy change	3411				
errors correction	3421				
after adjustment	3501	(3,793)	(2,305)		(6,098)
Other capital line corrected		1,000			1,000
before adjustment	3402				
Adjustment incl.					
Accounting policy change	3412				
errors correction	3422				
after adjustment	3502	1,000			1,000

III. Net assets

Description	Code	At December 31, 2024	At December 31, 2023	At December 31, 2022
Net assets	3600	(644)	(5,098)	(2,793)

Litvinov Sergey
General Director
Date: 21-05-2025

STATEMENT OF CASH FLOWS 01.01.24 - 31.12.24

			Codes
		Form No. 4 - OKUD code	0710004
		Date (DDMMYY)	31.12.2024
Organization	TECH MAHINDRA TECHNOLOGY SERVICES LLC	OKPO code	51172671
Taxpayer's Identification Number	9704042589	TIN	9704042589
Type of activity		OKVED code	73.11
Organizational-legal form/form of ownership	Limited liability company/Foreign property	OKOPF / OKFS code	12300/23
Unit of measure:	Thousand RUB	OKEI code	0384

Description	Code	For 2024	For 2023
Cash flows from operating activities			
Cash proceeds received from - total	4110		
including:			
cash proceeds received from customers	4111		
rent payments, license payments, fees, payments under comission agreements and other	4112		
resale of financial investments	4113		
other payments	4119		
Cash disbursements for - total	4120	(20)	(1,003)
including:			
payment of goods, work, services, raw materials and other assets	4121		(666)
payroll	4122		(230)
payment of interest	4123		-
corporate income tax	4124		
tax payments	4125		
payments of other expenses	4129	(20)	(107)
Net cash flows from operating activities	4100	(20)	(1,003)
Cash flows from investing activities			
Cash proceeds received from - total	4210	-	-
including:		-	-
proceeds from the sale of non-current assets (except for financial investments)	4211	-	-
proceeds from sales of shares in other entities	4212	-	-
proceeds from repayment of loans given, from sale of debt securities (or rights of regress from other parties)	4213	-	-
dividends received, interest received	4214	-	-
other payments	4219	-	-
Cash disbursements for - total	4220	-	-
including:		-	-
purchase, construction, modernisation, reconstruction and preparation for use of non-current assets	4221	-	-
purchase of shares in other entities	4222	-	-
purchase of debt securities (or rights of regress from other parties), extention of loans to other entities	4223	-	-

Description	Code	For 2024	For 2023
interest paid on debt securities, included in cost of investment asset	4224	-	-
other payments	4229	-	-
Net cash flows from investing activities	4200	-	-
Cash flows from financing activities			
Cash proceeds received from - total	4310	-	-
including:		-	-
proceed from loans and borrowings provided by other entities	4311	-	-
participatory inputs	4312		916
issuance of stock, increase of shares	4313	-	-
issuance of bonds, promissory notes and other debt securities and other	4314	-	-
other payments	4319	-	-
Cash disbursements for - total	4320	-	-
including:		-	-
to shareholders for purchase of shares of the entity	4321	-	-
dividends or other distribution of earnings to shareholders	4322	-	-
redemption (buyout) of promissory notes and other debt securities, repayment of loans	4323	-	-
Other payments	4329	-	-
Net cash flows from financing activities	4300	-	916
Net cash flows total	4400	(20)	(87)
Balance of cash and cash equivalents as of the beginning of the reporting period	4450	20	107
Balance of cash and cash equivalents as of the end of the reporting period	4500	-	20
Effect of changes in the exchange rate of foreign currency to the ruble	4490		

Litvinov Sergey
General Director
Date: 21-05-2025

EVALUATION OF THE NET ASSET VALUE OF THE COMPANY

Description	Code	at 31.12.2024	at 31.12.2023	at 31.12.2022
I. ASSETS				
1. intangible assets	1,110	0	0	0
2. Fixed assets	1,150	0	0	0
3. Unfinished construction	1,190	0	0	0
4. Profitable investments in material assets	1,160	0	0	0
5. Long-term and short-term investments	1,170	0	0	0
6. Deferred tax assets	1,180	0	0	0
7. Inventory	1,210	0	0	0
8. VAT on valuables acquired	1,220	0	590	278
9. Receivable<*>	1,230	0	629	619
10. Monetary assets	1,250	0	20	107
11. Other current assets	1,260	0	0	0
12. Total		**0**	**1,240**	**1,004**
II. LIABILITIES				
13. Long-term Debts and borrowings	1,410	0	0	0
14. Deferred tax liabilities	1,420	0	0	0
15. short-term Debts and borrowings	1,510	0	0	0
16. Payables	1,520	438	6,169	3,692
17. Provisions for charges	1,540	206	169	105
18. Other current liabilities	1,550	-	-	-
19. Total		**644**	**6,338**	**3,797**
21. The net asset value of the company (total assets taken for calculation (line. 12), minus total liabilities taken for calculation (line. 20))		**(644)**	**(5,098)**	**(2,793)**

<*> Except for the debt of participants (founders) for contributions to the charter capital

Litvinov Sergey
General Director
Date: 21-05-2025

NOTES ON THE ACCOUNTS FOR 2024

1. General

TECH MAHINDRA TECHNOLOGY SERVICES LLC (hereinafter referred to as the Company) was formed in 2020. The Company was registered by FTSI [Federal Tax Service Inspectorate] No. 4 for the city of Moscow on 30.12.2020. OGRN [Primary National Registration Number] 1207700503614.

Registered address and place of business: 115114, Moscow, Letnikovskaya st., 2, building 1.

The sole executive organ is the Company's General Director. As of 31 December 2024, Sergey Petrovich Litvinov was General Director of the Company.

The Company focuses on communications and information technology:

- Software development;
- Wired and wireless communication solutions
- Computer technology advice and research and development;

The Company's operations are governed by the laws of the Russian Federation.

The Company's staff averaged 1 as at 31 December 2024.

All amounts in the tables of the Notes are in thousands of Russian roubles unless otherwise stated.

2. Accounting management

2.1. General

The Company's accounts are generated according to the RF accounting and reporting rules in place.

The Company's accounting is organized in compliance with the statutory accounting requirements of the RF, the rules and regulations of the RF Finance Ministry and the federal agencies regulating accounting.

Bookkeeping and accounting in 2024 were conducted under the arrangements set out in the Company's Accounting Policy enacted by the general director's order of 31 December 2023.

Accounting and tax reporting are conducted using a corporate information system, 1C: Accounting 8.3., 1C: Enterprise 8.3 ZUP [Payroll Management].

2.2. Applicability of the going concern assumption to the Company

The accounts were produced by the Company's management on the assumption that the Company will carry on as a going concern in the foreseeable future and that it does not intend and is not required to liquidate or substantially scale down the Company's operations, and therefore its liabilities will be met in the prescribed manner.

2.3. Chart of accounts

The Company has developed and uses a working chart of accounts based upon the standard corporate chart of accounts enacted by the RF Finance Ministry Order of 31 October 2000, No. 94n, employing individual subaccounts, which enable the production of accounting records meeting the requirements of accounting and tax legislation consistent with the Russian standards, as well as with the requirements of separate accounting for expenses.

2.4. Stocktaking

Stocktaking is conducted in compliance with the Asset and Liability Inventory Guidelines, put into effect by the RF Finance Ministry Order of 13 June 1995, No. 49.

Measurement of fixed assets is conducted at least once every 3 years. The last measurement of fixed assets was conducted as at 31 December 2024.

The measurement of the other assets and liabilities was conducted as at 31 December 2024.

3. Basic principles of accounting policy

3.1. Assets and liabilities denominated in foreign currency

The accounting for business transactions made in foreign currencies uses the official rouble exchange rate, as set by the Central Bank of the Russian Federation (the RF CB) for the transaction date. The foreign exchange-denominated assets and liabilities are listed in the report in the amounts assessed based on the official rouble exchange rate set by the RF CB and in effect for 31 December 2023, 2022 and 2021.

The accounting treatment of foreign exchange-denominated assets and liabilities is governed by AR [Accounting Regulation] 3/2006, “Foreign Exchange-Denominated Asset and Liability Accounting”. Pursuant to AR 3/2006, foreign exchange-denominated liabilities shall be converted to roubles as:

- at the date of entry thereof into the books;
- at the last day of the month, at the reporting date and at the transaction date;
- at the date of discharge of the liability.

The exchange differences are recognized in the Statement of Financial Results as part of other income or other expense.

3.2. Current and non-current assets and liabilities

Assets recognized in the accounts as current are expected to be used in production or otherwise within 12 months of the reporting date. Liabilities recognized in the accounts as short-term are expected to be discharged within 12 months of the reporting date. All other assets and liabilities are classified as long-term.

3.3. Fixed asset accounting

The original cost of fixed assets acquired for a consideration is deemed to be the amount of the Company’s actual costs of the acquisition, construction and manufacturing, net of value-added tax and other recoverable taxes (except as otherwise provided by the laws of the Russian Federation).

The fixed assets received free of charge are entered into the books at the fair market price, as documented, and are recognized as part of deferred income and then included on a monthly basis in other revenues in the amount of depreciation charged.

The original cost of fixed assets received under contracts providing for the performance of obligations (payment) other than in money is deemed to be the value of the assets transferred or to be transferred to the Company. The value of the assets transferred or to be transferred is established based on the price that is normally used by the Company under similar circumstances to determine the value of similar assets.

The original cost of fixed assets includes the actual costs of delivering the assets and putting them into a serviceable condition.

The interest charged on loans taken out prior to the commissioning of fixed assets to finance the acquisition (construction) of investment assets is included in the original cost thereof for accounting purposes.

Assets that meet the conditions responding to the fixed asset criteria specified in cl. 4 of AR 6/01 and are worth up to 40,000 rbl. per unit shall be recognized in the accounts and financial statements as part of inventory and supplies (I&S), including objects (household implements and supplies) and workwear, which, when released for production purposes, are not consumed directly, but serve for a period exceeding 12 months. Before 1 January 2011, inventory and supplies (“I&S”) included items worth up to 20 thou. rbl. per unit. With a view to securing the safety of said items worth up to 20 thou. rbl. and 40 thou. rbl., recognized as part of inventory and supplies, arrangements have been put in place to monitor their movement when released for production (operation). Fixed assets worth 20 to 40 thou. rbl., put on the books by 1 January 2011, are recognized as fixed assets and are depreciated as per general procedure.

Adjustments can be made to the original cost in the event of extension, refitting, remodelling, upgrading, partial liquidation and revaluation of fixed assets. Accounting for expenses related to the upgrading and remodelling of a fixed asset follows the procedure established for capital investment accounting. Where fixed assets are modernized and remodelled, the current replacement cost of the fixed assets shall be increased by the amount of the actual expenses incurred. In the event of improvement (increase) of the original regulatory performance indicators of an FA item as a

result of upgrading and remodelling, adjustment is made to the useful life of the item. The useful life can be adjusted either upwards or downwards.

Depreciation is charged on fixed assets using the straight-line method based on the original cost or current (replacement) value (if revaluation is made) of fixed assets and on the rate of depreciation charged based on the useful life of the asset. The straight-line method is applied throughout the useful life of the asset.

Depreciation is not charged on fixed assets whose usability does not change over time (land plots and natural resources; articles classified as museum items and museum collections, etc.).

The useful lives of fixed assets (in years) used for charging depreciation are given below:

	Useful lives (years)	
Fixed asset groups	**From (minimum)**	**To (maximum)**
Plant and equipment	3	5
Other fixed assets	2	3

The Company does not revalue its fixed assets (cl. 15 AR 6/01, P. 43 of Fixed Asset Accounting Guidelines).

The actual costs of minor and major repairs of fixed assets are recognized as production and distribution-related expenses of the period in which they are incurred, except for costs of regular repairs made as required by the process.

The value of a fixed asset being retired or incapable of delivering economic benefits (income) at a later time shall be taken off the books.

A fixed asset or other non-current asset (other than financial investments) that is no longer in use because it has been decided to sell it and there is proof that the asset is not expected to re-enter service for purposes of accounting and reporting is deemed to be a Long-Term Asset for Sale and recognized pursuant to the rules laid down in AR 16/02, “Winding-up Disclosure”.

The income and expenses due to the retirement and sale of fixed assets are recognized in the profit and loss statement as part of other income and expenses on a net basis.

The equipment to be installed are recognized in the accounts as other non-current assets.

3.4. Intangible assets accounting

Intangible assets are entered into the books at the actual (original) cost assessed as at the date of their entry in the books:

- those acquired for a consideration, at the sum of the actual costs of acquisition plus the costs of making them serviceable as intended, net of value-added tax and other recoverable taxes (except as otherwise provided by the RF legislation);
- those created by the Company itself, at the sum of the actual costs of creation;
- those received under a donation agreement (free of charge), at the fair market price as of the date of entry in the books;
- those received under contracts providing for the performance of obligations (payment) other than in money, at the price of the goods (assets) transferred or to be transferred by the Company.

The useful life is determined when the asset is entered in the books based on:

- the term of the Company’s rights to the intellectual property or brand identity (including, the term of a patent, certificate, licensing (copyright) contract for the exclusive rights transferred);
- the asset’s expected life during which the Company anticipates economic benefits, as determined by the competent subdivision.

An accounting unit for intangible assets is an inventory item.

Intangible assets are depreciated using the straight-line method, based on the original cost of the intangible assets and the rate of depreciation charged based on their useful life.

Depreciation is charged until the asset is fully depreciated or written off.

No revaluation is made of intangible assets.

3.5. Accounting for inventory and supplies (I&S)

Inventory is assets being consumed or sold as part of the normal operating cycle, or used within a period of up to 12 months.

Inventory includes, without limitation:

- feedstock, materials, fuel, spare parts, component parts and third-party semi-finished products;
- tools, utensils, special-purpose clothing and special gear, receptacles and other similar items;
- finished products, goods, incl. those delivered to others in connection with sales until the recognition of proceeds from the sale thereof;
- work-in-progress;
- real properties, acquired or (being) built for sale in the course of normal business;
- intellectual properties, acquired or (being) developed for sale in the course of normal business.

An accounting unit of inventory is a stock number.

Inventory is recognized in the accounts at cost, as measured pursuant to FAS [Federal Accounting Standard] 5/2019, “Inventory”.

The amounts paid and (or) payable by an organization when acquiring (creating) stocks are included in the actual cost of the inventory inclusive of all discounts, trade-off, deductions, bonuses and rebates granted to the organization, however granted.

Administrative expenses and storage costs are not included in the cost of inventory to be acquired (developed), incl. in the actual cost of work-in-progress and finished products.

Accounting for inventory released for manufacture (sale, other decrease) uses the average cost method.

The inventory stocks are valued as at the reporting date at the lower of the following amounts:

- the actual cost of stocks, or;
- the net proceeds from the sale of stocks.

The net proceeds from the sale of stocks is determined by the organization as the expected price at which the organization can sell stocks in the condition in which it usually sells them in the course of normal business, net of anticipated expenses needed for the manufacture, pre-sale preparation and sale thereof.

3.6. Cash and cash equivalents accounting and recognition of cash flows in the cash flow statement

Cash equivalents include highly liquid financial investments with a maturity of less than three months that can be readily converted into a pre-determined amount of money and that carry a negligible risk of change in value and are recognized under the heading “Cash and cash equivalents” of the balance sheet.

The forex cash flow figures are converted in the cash flow statement at the official exchange rate between the foreign currency and the rouble as set by the Central Bank of the Russian Federation for the date of the outgoing or incoming payment.

The difference resulting from the conversion of cash flows and balances of cash and cash equivalents denominated in foreign currency at the exchange rates for the dates of foreign exchange transactions and as at the reporting dates are disclosed in the report under the heading “Magnitude of effect of changes in the foreign currency exchange rate to the rouble”.

The cash flow statement summarizes:

- incomings and outgoings resulting from currency exchange transactions;
- the amounts of indirect taxes as part of receipts from buyers and customers and payments to suppliers and contractors;
- other payments pertaining not so much to the operations of organizations as to those of its counterparties.

3.7. Income accounting

The Company’s income is classified based on its nature, provenance and business line into:

(1) income from core activities;

(2) other income.

Proceeds are recognized in the accounts if the following conditions are met:

- the Company is entitled to receive these proceeds under a specific contract or as otherwise documented;
- the amount of the proceeds can be determined;
- there is certainty that a given transaction will increase the economic benefits. It is certain that a specific transaction will increase the organization’s economic benefits where the Company will receive an asset in the future as payment or there is no uncertainty as to the receipt of the asset;
- the right of ownership (possession, use and disposal) of products (goods) has passed from the Company to the buyer or the work has been accepted by the customer (service rendered);
- the expenses that have been or will be incurred in connection with this transaction can be determined.

3.8. Expense accounting

Normal business expenses comprise:

- the acquisition costs of the materials, works and services consumed in the course of creating the end product to be delivered to consumers;
- the costs of employee remuneration and the associated amounts of social insurance charges.

Sales, general and administrative costs are recognized in the cost of goods and services sold in the reporting year in which they are recognized as normal business expenses.

Not included among the Company’s expenses is the decrease in assets by way of prepayment for inventory and supplies and other valuables, works, services and property rights.

Other expenses include:

- stamp duty;
- property tax;
- fines, penalties and liquidated damages for a breach of contract;
- damages payable by the organization;

- past losses recognised in the reporting year;
- the amounts of accounts receivable past the limitation period, other debts unlikely to be collected;
- exchange differences;
- the amount of asset write-down;
- other similar expenses.

3.9. Loan and credit cost accounting

- interest on the amount of loan (credit) payable to the lender (creditor) in the amount and on the terms set forth in the loan (credit) contracts);
- additional costs of loans.

Additional costs of loans are:

- the amounts paid for information and advice;
- amounts paid for expert review of loan contract (credit agreement);
- other expenses directly related to borrowings (lines of credit).

The additional expenses directly related to borrowings (lines of credit) are recognized as other expenses evenly over the term of loan (line of credit).

Interest payable to the lender (creditor) and directly related to the acquisition, construction and (or) manufacture of an investment asset is included in the cost of this investment on a straight-line basis regardless of the terms of payment therefor under the loan (credit) contracts.

3.10. Accounting for valuation reserves and estimated liabilities

Valuation reserves. The accounts show the following types of valuation reserves being accrued:

(i) doubtful debt reserve

(ii) inventory impairment reserve;

The following procedure is in place for setting up reserves:

The Doubtful Debt Reserve is set up for the following liabilities:

- doubtful debts of buyers and customers for products, commodities, works, and services;
- other doubtful debtors.

A doubtful debt in this context is deemed to be the Company’s receivables that are not paid within the time limits set in the contract and are not secured with adequate guarantees.

The reserve is created quarterly based on an inventory of receivables from buyers and customers for products, commodities, works and services for each doubtful debt as follows:

- doubtful debts overdue for more than 90 days are included in the reserve in the full amount owed;
- doubtful debts overdue for 60 to 90 days (inclusive) are included in the reserve at the rate of 50% of the amount owed;
- for doubtful debts overdue for less than 60 days (inclusive), no reserve is made.

The provisioning rates specified above are determined based on the history of collection of accounts receivable over the last 3 calendar years and shall be reviewed as at the end of each reporting period.

The Impairment Reserve is set up in the amount by which the actual cost of stocks exceeds the net proceeds from the sale thereof.

The inventory impairment loss shall be recognized as expense in the period in which the reserve for the impairment thereof is set up (increased). The inventory impairment reserve replenishment amount is classified as a reduction in the amount of the expenses recognized in the same period in which the proceeds from the sales of the inventory is recognized;

Estimated liabilities. The accounts and reports recognize the following types of estimated liabilities:

- for payment for unused leave time

3.11. Deferred expense accounting

Accounting for deferred expenses is made using account 97, “Deferred expenses”, based on the costs actually incurred. Write-off of deferred expenses is made monthly to the debit side of the expense accounts within the time limit specified in the relevant documents (licences, contracts etc.). Where the documents give no indication of a time limit, it is determined by a panel appointed by the Company’s general director or directly by order of the general director.

Deferred expenses include:

- licensing fees for intellectual properties or brand identities paid on a one-off lump sum basis;

- costs incurred in connection with reworking of an intangible asset entered in the books in a prior period.

Deferred expenses are written off:

evenly, based on the useful life of the assets involved

Deferred expenses are recognized in the balance sheet as part of other current assets and other non-current assets based on the expected useful life at the time of acquisition of the asset.

3.12. Accounting for other non-current assets

Other non-current assets are entered in the books based on the costs actually incurred in acquiring them. Write-off of other non-current assets is made monthly to the debit side of the expense accounts within the time limit specified in the relevant documents (licences, contracts etc.). Where the documents give no indication of a time limit, it is determined by a panel appointed by the Company’s general director.

Other non-current assets are recognized in the balance sheet based on the expected useful life at the time when the asset is acquired.

3.13. Profits tax assessment accounting

The Company’s profits tax liabilities are included under the heading “Accounts payable” of the balance sheet. The Company’s profits tax assets are included under the heading “Accounts receivable” of the balance sheet.

Pursuant to AR 18/02, “Profits tax accounting”, the accounts and reports recognize the deferred profits tax (deferred tax assets and deferred tax liabilities), i.e. the amounts capable of affecting the magnitude of the current profits tax in the subsequent reporting periods.

The amount of the current profits tax is determined based on accounting records. This being the case, the amount of the current profits tax corresponds to the amount of the profits tax assessed, as reflected in the profits tax return for the reporting period. The amounts of deferred tax asset and deferred tax liability are recognized in the balance sheet itemized as part of non-current assets (line 1180, “Deferred tax assets”) and of long-term liabilities (line 1420, “Deferred tax liabilities”) of the balance sheet respectively.

4. Classification changes, accounting policy changes and error correction

4.1. Correction of bookkeeping and accounting errors

The materiality of an error is determined based on both the magnitude and the nature of relevant item(s) of the accounts. An error is deemed to be material if a group of items of financial statements changes by more than 5% when the relevant item of financial statements is corrected, or where it alone or in aggregate with other errors for one and the same reporting period can affect the business decisions of users taken by them based on the financial statements produced for this reporting period.

4.2. Adjustment of comparative indicators

The reporting year saw no adjustments to the comparative indicators.

4.3. Change of the accounting policy due to legislative amendments

The Company uses the alternative adoption of FAS 25/2018, “Lease accounting”, pursuant to cl. 50 of the standard, the alternative adoption of FAS 6/2020, “Fixed assets”, pursuant to cl. 49 of the standard, and the deferred adoption of FAS 26/2020, “Investments”, as of 1 January 2022. No adjustments were made to the comparative indicators for the prior periods.

There was no effect on the retained profits due to the adoption of FAS 25/2018, “Lease accounting”, and no effect on the retained profits due to the adoption of FAS 6/2020, “Fixed assets”, there being no assets to revalue or reclassify.

The Company is not an early adopter of:

- FAS 14/2022, “Intangible assets”.

No other changes were made to the accounting policy.

4.4. Correction of prior errors

No correction of errors was made (none was discovered).

5. Intangible assets

There are no intangible assets owned.

6. Fixed assets

No fixed assets are owned or rented on a long-term basis.

The Company rents an office space under a lease contract; however, due to the fact that the rent for the space is not specified in the contract and the lease contract is short-term, the Company does not list the space as part of its fixed assets.

7. Inventory

The Company had no inventory in stock as of 31 December 2024, 2023 and 2022.

As of 31 December 2024, 2023 and 2022, the Company had no inventory or supplies that were in route or pledged.

8. Accounts receivable

The accounts receivable as at 31 December 2024, 2023 and 2022 are as follows:

(thou. rbl.)

	31 December		
	2024	**2023**	**2022**
Accounts receivable			-
Buyers and customers	**-**	-	-
Prepaid expenses	**-**	617	566
Assessment of taxes and levies	**-**	12	53
Total	**-**	**629**	**619**

Absent doubtful accounts receivable, no bad debt provision was accrued.

As at 31 December 2024 and 2023, the Company had no refund liability for prior advances paid due to non-compliance with contractual terms.

9. Cash and cash equivalents

Cash and cash equivalents as at 31 December 2024, 2023 and 2022 are as follows:

(thou. rbl.)

	31 December		
	2024	**2023**	**2022**
Cash and cash equivalents			
Cash at bank	-	20	107
Total	**-**	**20**	**107**

As at 31 December 2024, 2023 and 2022, and in prior reporting periods, no non-liquid funds were included in the cash assets.

10. Other current assets

There were no other current assets as at 31 December 2024, 2023 and 2022.

11. Registered Capital

The Company's registered capital as at 31 December 2024, 2023 and 2022 is as follows:

(thou. rbl.)

Category	31 December		
	2024	**2023**	**2022**
Registered capital	**1,000.0**	1,000.0	1,000
Capital surplus	**2,000.0**		
Total	**3,000.0**	**1,000.0**	**1,000**

The list of incorporators as at 31 December 2024, 2023 and 2022 is as follows:

	% owned		
	2024	**2023**	**2022**
A TECH MAHINDRA LIMITED (India)	**99**	99	99
B Suluguri Raji Reddy	**1**	1	1
Total	**100**	**100**	**100**

As at 31 December 2024, 2023 and 2022 the ultimate beneficiary is TECH MAHINDRA LIMITED (India).

12. Borrowings

The Company did not raise capital in 2024.

13. Accounts payable

The accounts payable as at 31 December 2024, 2023 and 2022 are as follows:

(thou. rbl.)

	31 December		
	2024	**2023**	**2022**
Accounts payable			-
Suppliers and contractors		1333	281
Overdue liability under other transactions		3801	2885
Wage arrears		863	517
Tax and levy liabilities	**438**	172	9
Total	**438**	**6169**	**3692**

As at 31 December 2024, 2023 and 2022, the Company had no refund liability for prior advances received due to non-compliance with contractual terms.

14. Estimated liabilities

The movement of estimated liabilities for 2024 and 2023 is as follows:

(thou. rbl.)

	For payment for unused leave time
Balance as at 31 December 2022	**105**
Reserve increase	64
Reserve use	
Balance as at 31 December 2023	**169**
Reserve increase	37
Reserve use	
Balance as at 31 December 2024	**206**

The Company has no estimated liabilities with a maturity of over 12 months.

15. Contingent liabilities

As at the signature date of the accounts (financial statements), the Company had no contingent liabilities.

16. Contingent assets

As at the signature date of the accounts (financial statements), the Company had no contingent assets.

17. Revenues

There was no revenue for 2024 and 2023 because active business operations had not yet started.

18. Sales, general and administrative costs

The sales costs by cost element for 2024 and 2023 year are as follows:
(see cl. 6 of the Notes on the Balance Sheet and the Statement of Financial Results)

(thou. rbl.)

	2024	**2023**
Administrative costs		
Wages	396	661
Social security contributions	120	121
Office space rent	-	103
Accounting services	1115	1191
Other services	-	2
Future liability reserves	-	-
Total	**1631**	**2078**

19. Other income

Other income for 2024 and 2023 is as follows:

(thou. rbl.)

	2024	2023
Other income		
Exchange differences	391	66
Write-off of receivables and payables	6262	
Total	**6653**	**66**

20. Other expenses

Other expenses for 2024 and 2023 are as follows:

(thou. rbl.)

	2024	2023
Other expenses		
Penalties	**82**	-
Exchange differences	**585**	178
Banking costs	**-**	107
Compensation for off-schedule payment of wages	**20**	9
Revenue (loss) of the previous years	**13**	-
Write-off of VAT	**812**	-
Write-off of receivables and payables	**617**	-
Total	**2129**	**294**

21. Related parties

The related parties of TECH MAHINDRA TECHNOLOGY SERVICES LLC are the Company's members (incorporators), as well as the key executives of the Company and related parties.

The key executives as at 31 December 2023:

SSergey Petrovich Litvinov. General Director

The key executives as at 31 December 2024:

SSergey Petrovich Litvinov. General Director

Related-party transactions

Transactions with related parties in 2024 were expressed in the debt forgiveness by the founder TECH MAHINDRA LIMITED (India) of TECH MAHINDRA TECHNOLOGY SERVICES LLC liabilities in the amount of 6 262 100,04 rubles.

22. Currency exchange rates and differences

The exchange rates of the Central Bank of the Russian Federation in effect on the reporting date:

Currency	31 December 2024	31 December 2023	31 December 2022
US Dollar	101,6797	89,6883	70.3375
Euro	106,1028	99,1919	75.6553
Pound Sterling	127,4962	114,5320	84.7919

23. Guarantees and sureties provided

As at 31 December 2024, the Company had provided no guarantee or surety and set up no contingency reserve.

24. Insurance

The Company acquired no insurance services and made no contract with insurance companies.

25. Litigation

In the course of normal business, the Company can be involved in a number of litigations. According to the Company's Management, there are currently no litigations, lawsuits against the Company or judgments entered that could have a material adverse effect on the Company's financial situation.

26 Operating environment and financial exposure

26.1. Operating environment

The economy of the Russian Federation exhibits certain characteristics typical of developing markets. It is particularly susceptible to fluctuations in oil and gas prices. The tax, currency and customs legislation of the Russian Federation continues developing and is open to interpretation.

The rising political tensions in the region in 2023 and the international sanctions against certain Russian entities and individuals are depressing the Russian economy and causing financial destabilization. Such adverse consequences include the following factors:

- high currency volatility;
- downgrading of Russia's credit ratings. The forecast of all agencies is negative, which means the likelihood of further deterioration of the situation and the downgrading of Russia's rating below the investment grade;
- cyberattacks and substandard performance of information systems and sources of economic information;
- high volatility of the national stock market;
- increase in the key rate of the Bank of Russia up to 20%, followed by a stepwise reduction to 7.5%.

The above factors contributed to an economic decline in the country, with the gross domestic product declining as a result. The Ministry for Economic Development of Russia expects the Russian economy to shrink in 2022 and 2023 by 2.9% and 0.8% respectively and then to grow by 2.5% in 2024-2025.

The financial markets are still volatile, with frequent and significant price fluctuations and increasing trading spreads. The rating of the Russian Federation was downgraded to below investment grade. This economic environment has a significant effect on the Group's operations and financial position. The management is taking the measures necessary to ensure that the Group remains stable. Nevertheless, it is difficult to anticipate the future consequences of the current economic situation, and the management's current expectations and evaluations can differ from the actual results.

The Company's operations are to a greater or lesser degree exposed to a variety of risks (financial, market, legal, country- and region-specific, reputational, etc.). The notes disclose information about the Company's exposure to risks and the causes thereof, risk management mechanisms, as well as changes on the previous period.

Covid-19 disclosure

On 11 March 2020, the World Health Organisation (WHO) declared that the outbreak of the new coronavirus infection was a pandemic. The pandemic affected the global economy. The response action taken by the governments of many countries worldwide to curb the pandemic has led to major failures in the operating cycles of many companies and has had a significant impact on their business operations in various sectors of the economy, including consequences such as business interruptions, non-deliveries, staff placed under quarantine or on telework, slowing demand and financing problems.

The Company's management continues to closely monitor the COVID-19 spread, taking action to minimize the risks for the staff and the business as a whole. There is currently no certainty in the assessment of COVID-19 impact in the medium and long term.

26.2 Financial risks

The financial exposure involves market, credit and liquidity risks.

Market risk is the risk that the Company can face adverse consequences in the event of a change in certain market parameters. Market parameters comprise the following risks: the risk of a change in the interest rate, the risk of a change in the foreign exchange rates, the risk of a change in the prices for goods and price indices and other price risks, such as the risk of a change in the prices for equity instruments.

Risk of interest rate change

The Company's assets and liabilities are not dependent on the interest rate. Therefore, the management believes that the Company is not exposed to the risk of a change in the interest rate in respect of its assets and liabilities.

Currency risk

Currency risk is the risk that the Company can face adverse consequence in the event of changes in the rates of exchange. Foreign currency exposure is primarily due to business operations (when earnings or expenses are denominated in foreign exchange).

The Company acquires services in Russian roubles, so currency risks are deemed to be minor.

Default risk

Default risk is the risk that the Company will incur financial losses due to its counterparties failing to perform their obligations under the loans granted to them (including in the form of a grace period and payment by instalments for goods sold, work completed or services rendered).

The Company is not exposed to any default risk in the context of its operations. First of all, in respect of trade receivables.

The management of default risk related to customers is provided in keeping with the policy, procedures and monitoring system put in place by the Company for managing its default exposure on customers. Regular monitoring is conducted of outstanding receivables due from customers. A review of accounts receivable showed that the Company's exposure to this risk is not significant.

Liquidity risk

The liquidity risk is associated with the Company's ability to meet timely and in full its liabilities existing as at the reporting date: payables to suppliers and contractors, debt to lenders under the credit facilities and loans received, etc. The Company performs the management of the liquidity risk by choosing the optimal gearing as per the management's policies. Given that some of the Company's accounts payable are payables for services received from related parties, the Company is in a position to negotiate debt restructuring arrangements as necessary. Also, the Company believes that it has adequate access to financing sources (primarily, within the corporate group), as well as having both tapped and available credit facilities, which will make it possible to meet the anticipated need for loan capital.

27. Legal risks

Legal risks are the risk of losses as a result of failure by companies to comply with the requirements of regulations and the contracts in place, the legal errors committed in operations and the imperfections of the legal system.

The management of legal risks aims to reduce (eliminate) possible losses.

In an attempt to keep the legal risk at an acceptable level, the Company is implementing the following measures:

- monitoring of the legislative and regulatory framework of the Russian Federation and assessment of the need for changes in the Company's internal regulatory framework;
- monitoring of the Company's bylaws to ensure they are in place, complete and compliant with the RF statutory and regulatory framework;
- notification to the Company's staff of changes in the Russian Federation legislation and in the Company's bylaws;
- standardization of processes and transactions (policies/procedures for operations and transactions and for contracting) by developing and enacting bylaws and model forms;

- enforcement of the internal procedure in place for the Company's staff to obtain approvals for the contracts and transactions to be made;
- systematic review of indicators characterizing legal risks;
- implementation of performance controls for the management of legal risks;
- the legal function provides monitoring of the legislation on an ongoing basis, notification to the Company's staff of change in the legal provisions and regulations pertaining to legal risk.

27.1 Risks inherent in new control rules for transfer pricing

The transfer pricing legislation makes it possible for the tax authorities to apply adjustments to transfer prices and assess additional profits tax liabilities in respect of all controlled transactions if the transaction price differs from the fair market price. The list of controlled transactions includes related-party transactions and certain types of foreign transactions.

For intra-group transactions, the transfer pricing rules apply where the sum total of all transactions involving each related party separately exceeds:

- 1,000,000 thou. rbl. for transactions in the domestic market in 2022 and 2021 if the parties use different profits tax rates and different tax regimes, use VAT and/or profits tax exemptions, and investment tax credit;
- 60,000 thou. rbl. for international transactions in 2022 and 2021

Where internal transactions cause additional tax liabilities to be assessed for a party, the other party can adjust its profits tax liabilities accordingly using a return form issued by the competent authority in the prescribed manner.

These rules apply not only to transactions that took place in 2022, but also to the related-party transactions for the previous years if the relevant income and expenditure were recognized in 2022.

The Company is not subject to the new transfer pricing rules in 2024.

27.2 Risks related to a change in forex regulation

Domestic market: Risks of changes in the forex regulation are currently rated by the Company as negligible. Because of the implementation of the policy of liberalization of forex regulation, the risks related to a change in foreign exchange laws are being reduced.

External market: legal risks related to a change in forex regulation on the foreign market can affect the Company's business in the context of its operations on the external market. The Company conducts ongoing monitoring of changes in the regulatory framework for forex control and monitoring and fully complies with the provisions of foreign exchange laws.

Thus, the Company finds the risk of a change in the foreign exchange regulation to be minor and does not believe that a possible change in the foreign exchange control rules can materially affect the Company's operations.

27.3 Risks related to a change in tax legislation

The recent developments in the Russian Federation suggest that the tax authorities can take a harder line in interpreting the tax legislation and tax assessments. As a result, the tax authorities can lodge claims over the transactions and accounting methods that they left alone before. This can result in high extra tax assessments, late charges and fines. Tax audits can cover three calendar years of operations immediately preceding the year audited. Under certain conditions, the audit can also extend to earlier periods.

The Company's management believes that the Company is fully compliant with the tax legislation governing its operations, which, however, does not preclude potential differences of opinions with the competent regulatory authorities on matters open to interpretation.

The realization of this risk, that is a change in the taxation rules in the Russian Federation, can increase the tax burden on the Company and reduce the Company's net profit.

In order to limit the possible negative effects of this risk on its operations, the Company puts in place measures such as continuous monitoring of changes in the tax legislation.

In the event that changes are made to the taxation arrangements in place, the Company intends to plan its financial and operating activities with due regard to these changes.

The likelihood of this risk is rated as medium; the Company's losses from this risk are rated as low.

Thus, the Company assessed the risk of a change in the tax legislation as minor and does not find that a possible change in the taxation rules can materially affect the Company's operations.

27.4 Risks of a change in the case law on aspects of the Company's operations

The realization of this risk, that is a change in the case law, can result in adverse consequences in the form of penalties imposed on the Company.

In order to limit the possible negative effects of this risk on its operations, the Company puts in place measures such as continuous monitoring of changes in the case law on the aspects of the Company's operations.

In the event that changes are made to the case law on aspects of the Company's operations, the Company intends to plan its financial and operating activities with due regard to these changes.

The likelihood of this risk is rated as low; the Company's losses from this risk are rated as low.

Thus, the Company finds that the risk of a change in the case law is minor and does not believe that possible judgments rendered by a court of law with an adverse impact on the Company can materially affect the Company's operations.

28 Country- and region-specific risks

Country- and region-specific risks and [...] are connected to the political and economic situation, geographical features of the country (countries) and the region (regions) where the organization conducts its usual activities and (or) is registered as a taxpayer.

The stability of the Russian economy depends to a large extent on the progress of economic reforms, the development of the legal, tax and administrative infrastructure, as well as on the effectiveness of the measures being taken by the Government of the Russian Federation as part of its economic, financial and monetary policies.

Despite the stabilization measures being taken by the Government of the Russian Federation with a view to ensuring liquidity and refinancing of foreign loans of Russian banks and companies, there is still uncertainty over access to sources of capital, as well as the cost of capital for the Company and its counterparties, which can affect the financial situation, operational results and economic prospects of the Company. Volatility in the capital markets can result in a material deterioration of liquidity in the banking sector and credit tightening in Russia.

By and large, the Company is hardly in a position to materially affect the economic situation in this country. However, in the event of a negative turn of events in the Russian Federation or its region where the Company operates, the Company will take all measures to reduce the adverse effects on the Company's financial situation and financial result.

29 Reputational risks

Reputational risk is connected to a reduction in the numbers of the organization's customers (clients) as a result of a negative perception of the quality of its products, works and services, compliance with the delivery time for products, performance of work/services, involvement in price collusion, etc.

The Company's management believes that there are currently no factors likely to cause a dramatic reduction in the numbers of its buyers (customers) as a result of a negative image of the quality of the Company's products (works, services), compliance with the schedules for the completion of works (services), as well as the Company's involvement in any price collusion. Accordingly, reputational risks are rated by the Company as negligible.

30 Post-reporting events

Acquisition of a subsidiary's stock

The Company acquired no shares in its subsidiaries.

Change in laws

There were no legislative changes affecting the Company's operationals and financials.

Change in the registered capital

No changes were made in the registered capital.

Change of management

There was no change of management.

S. P. Litvinov
General Director
TECH MAHINDRA TECHNOLOGY SERVICES LLC

Date: 21-05-2025

TECH MAHINDRA BAHRAIN LTD W.L.L

Directors:
Mr. Sane Mandar Vinayak
Mr. R S Ramachandran

Commercial Registration Number: 73221-1

Registered office
Flat 1126, Building 722
Road 1708, Block 317 Diplomatic Area
Manama Kingdom of Bahrain

Bankers
HSBC Bank Middle East Limited

Auditors
BDO - Bahrain

DIRECTORS' REPORT

For the year ended 31 March 2025

In accordance with the Commercial Companies Law, we have the pleasure in presenting the financial statements of Tech Mahindra Bahrain Ltd W.L.L ("the Company") for the year ended 31 March 2025 as set out in the following pages.

Financial highlights	2025 (BHD)	2024 (BHD)
Revenue	**172,324**	301,666
Gross profit	**34,288**	48,280
Total comprehensive income	**10,665**	16,254
Total equity	**450,194**	439,529

Representations and audit

The Company's activities for the year ended 31 March 2025 have been conducted in accordance with the Commercial Companies Law and other relevant statutes of the Kingdom of Bahrain.

There have been no events subsequent to 31 March 2025, which would materially modify the financial statements are presented in the following pages.

The Company has maintained proper, complete accounting records and these, together with all other information and explanations, have been made freely available to the auditors BDO Bahrain, who have expressed their willingness to continue in office for the audit of the year ending 31 March 2026.

On behalf of the Board of Directors

Sane Mandar Vinayak

Director

Date: 20th May 2025

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF

Tech Mahindra Bahrain Ltd W.L.L.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Tech Mahindra Bahrain Ltd W.L.L. ("the Company"), which comprise the statement of financial position as at 31 March 2025, the statement of profit or loss and other comprehensive income, the statement of changes in shareholders' equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information. In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of financial statements. 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 audit opinion.

Other information

The directors are responsible for the other information. The other information comprises the Directors' 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on the work we have performed, we 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.

Other matter

The financial statements of the Company for the year ended 31 March 2024 were audited by another auditor who expressed an unmodified opinion on those statements in their report dated 29 June 2024.

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 as issued by IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those Charged With Governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs, we exercise professional 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on other legal and regulatory requirements

Further, as required by the Bahrain Commercial Companies Law, we report that:

(1) we have obtained all the information we considered necessary for the purpose of our audit;

(2) the Company has maintained proper books of account, and the financial statements are in agreement therewith; and

(3) the financial information disclosed in Directors' report is consistent with the books of accounts of the Company.

In addition, we report that, nothing has come to our attention which causes us to believe that the Company has breached any of the applicable provisions of the Bahrain Commercial Companies Law, or its Deed of Association, which would materially affect its activities, or its financial position as at 31 March 2025.

BDO
Manama, Kingdom of Bahrain

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

(Expressed in Bahrain Dinars)

Particulars	Note	31 March 2025	31 March 2024
ASSETS			
Trade and other receivables	5	**9,898**	65,199
Amounts due from related parties	6	**89,973**	39,196
Cash and cash equivalents	7	**379,773**	394,118
Total assets		**479,644**	498,513
EQUITY AND LIABILITIES			
Liabilities Equity			
Share capital	8	**50,000**	50,000
Statutory reserve	9(a)	**25,000**	25,000
Retained earnings	9(b)	**375,194**	364,529
		450,194	439,529
Non-current liabilities			
Employees' terminal benefits	10	**6,116**	29,581
Current liabilities			
Trade and other payables	11	**23,334**	29,403
Total equity and liabilities		**479,644**	498,513

The financial statements were approved, authorised for issue by the Board of Directors and signed by:

Ramachandran Satyamurthi Ramachandran
Director

Sane Mandar Vinayak
Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 March 2025

(Expressed in Bahrain Dinars)

Particulars	Notes	Year ended 31 March 2025	Year ended 31 March 2024
Revenue	12	**172,324**	301,666
Direct costs	13	**(138,036)**	(253,386)
Gross profit		**34,288**	48,280
Other Income		**1,032**	1,539
		35,320	49,819
Expenses			
General and administrative expenses	14	**(24,655)**	(33,565)
Net profit and total comprehensive income for the year		**10,665**	16,254

The financial statements were approved, authorised for issue by the Board of Directors and signed by:

Ramachandran Satyamurthi Ramachandran
Director

Sane Mandar Vinayak
Director

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

for the year ended 31 March 2025

(Expressed in Bahrain Dinars)

Particulars	Share capital	Statutory reserve	Retained earnings	Total equity
31 March 2024				
Balance at 1 April 2023	50,000	25,000	348,275	423,275
Net profit and total comprehensive income for the year	-	-	16,254	16,254
Balance at 31 March 2024	50,000	25,000	364,529	439,529
31 March 2025				
Balance at 1 April 2024	50,000	25,000	364,529	439,529
Net profit and total comprehensive income for the year	-	-	10,665	10,665
Balance at 31 March 2025	**50,000**	**25,000**	**375,194**	**450,194**

STATEMENT OF CASH FLOWS

for the year ended 31 March 2025

(Expressed in Bahrain Dinars)

Particulars	Notes	31 March 2025	31 March 2024
Cash flow from operating activities			
Net profit for the year		**10,665**	16,254
Adjustments for:			
Interest on fixed deposits		**(1,029)**	(1,539)
Changes in operating assets and liabilities:			
Trade and other receivables		**55,301**	305,714
Trade and other payables		**(6,069)**	6,362
Amounts due from related parties		**(50,777)**	(240,130)
Employees' terminal benefits		**(23,465)**	8,591
		(25,010)	80,537
Net cash (used in)/provided by operating activities		**(15,374)**	95,252
Cash flows from investing activities:			
Interest received on fixed deposits		**1,029**	1,539
Net cash provided by investing activities		**1,029**	1,539
Net (decrease)/increase in cash and cash equivalents		**(14,345)**	96,791
Cash and cash equivalents at the beginning of the year		**394,118**	297,327
Cash and cash equivalents at the end of the year	7	**379,773**	394,118

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

1 ORGANISATION AND ACTIVITIES

Tech Mahindra -Bahrain- LTD W.L.L. (the "Company") is a limited liability Company registered in the Kingdom of Bahrain with the Ministry of Industry and Commerce under commercial registration number 73221-1 obtained on 3 November 2009.

The Company is engaged in providing the below activities:

- repairs of computers and peripheral services;
- computer consultancy and computer facilities management activities;
- sale/trade of information and communications equipment and related software;
- computer programming activities; and
- other information technology and computer services activities.

The Company's registered office is in the Kingdom of Bahrain. The Company is owned by Tech Mahindra Limited – India (the "Parent Company").

These financial statements, set out on pages 499 to 514, were approved and authorised for issue by the Board of Directors and signed on 20 May 2025.

2 BASIS OF PREPARATION

Statement of compliance

The financial statements have been prepared in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"), interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and the requirements of the Bahrain Commercial Companies Law.

Basis of presentation

These financial statements have been prepared using going concern assumption under the historical cost convention. The financial statements have been presented in Bahrain Dinars which is the functional currency of the Company.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3 to these financial statements.

Improvements/amendments to IFRS Accounting Standards

Improvements/amendments to IFRS Accounting standards contained numerous amendments to IFRS Accounting standards that the IASB considers non-urgent but necessary. 'Improvements to IFRS Accounting standards' comprise amendments that result in accounting changes to presentation, recognition or measurement purposes, as well as terminology or editorial amendments related to a variety of individual IFRS Accounting standards. The amendments are effective for the Company's future accounting year with earlier adoption.

Standards, amendments and interpretations issued and effective in 2025 but not relevant

The following new amendments to existing standard and interpretation to published standard is mandatory for accounting period beginning on or after 1 January 2025 or subsequent periods, but is not relevant to the Company's operations:

Standard or interpretation	Title	Effective for annual periods beginning on or after
IAS 21	The effects of changes in Foreign Exchange Rates	1 January 2025

Standards, amendments and interpretations issued but not yet effective in 2025

The following new/amended accounting standards and interpretations have been issued, but are not mandatory for financial year ended 31 March 2025. They have not been adopted in preparing these financial statements for the year ended 31 March 2025 and will or may have an effect on the entity's future financial statements. In all cases, the Company intends to apply these standards from application date as indicated in the table below:

Standard or interpretation	Title	Effective for annual period beginning on or after
IFRS 9	Financial Instruments	1 January 2026
IFRS 7	Financial Instruments: Disclosures	1 January 2026
IFRS 18	Presentation & Disclosures in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability : Disclosures	1 January 2027

Early adoption of amendments or standards in 2025

The Company did not early-adopt any new or amended standards in 2025. There would have been no change in the operational results of the Company for the year ended 31 March 2025 had the Company early adopted any of the above standards applicable to the Company.

3 CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCE OF ESTIMATION UNCERTAINTY

The preparation of financial statements in accordance with IFRS requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. The determination of estimates requires judgments which are based on historical experience, current and expected economic conditions, and all other available information. Actual results could differ from those estimates.

The most significant areas requiring the use of management estimates and assumptions in these financial statements relate to:

- defined benefit plans and compensated absences;
- fair value measurement;
- revenue recognition;
- impairment of assets;
- contingencies; and
- going concern;

Defined benefit plans and compensated absences

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement

The Company determines the fair value of financial instruments that are not quoted, using valuation techniques. Those techniques are significantly affected by the assumptions used, including discount rates and estimates of future cash flows. In this regards, the derived fair value estimates cannot always be substantiated by comparison with independent markets and, in many cases, may not be capable of being realised immediately.

A number of assets and liabilities included in the Company's financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Company's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- Level 1: Quoted prices in active markets for identical items (unadjusted);
- Level 2: Observable direct or indirect inputs other than Level 1 inputs; and
- Level 3: Unobservable inputs

Revenue recognition

The Company exercises judgment in determining whether a revenue transaction is recognised at a point in time or over time taking into consideration all the relevant facts and circumstances when applying each step of the model to contracts with their customers.

Impairment of assets

Financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its trade and other receivables. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Further, with respect to the amount due from related parties, the Company applies the full three stage approval taking into consideration whether there has been a significant increase in credit risk. In addition, with respect to its bank balances, the amounts are deposited with reputable banks with low credit risk.

During the year ended 31 March 2025, in the opinion of the Company's management, no allowance is required against trade and other receivables (2024: BDNil). Bank balances are not impaired as at 31 March 2025 (2024: BDNil).

Other non-financial assets

Other non-financial assets (excluding inventories) are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

Where the carrying value of an asset exceeds its recoverable amount (i.e., the higher of value in use and fair value less costs to sell), the asset is written down accordingly. Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ("CGUs"). Impairment changes are included in profit or loss, except to the extent they reverse gains previously recognised in other comprehensive income.

Contingencies

By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of such contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

Going concern

The management of the Company reviews the financial position on a periodical basis and assesses the requirement of any additional funding to meet the working capital requirements and estimated funds required to meet the liabilities as and when they become due. In addition, the shareholders of the Company ensure that they provide adequate financial support to fund the requirements of the Company to ensure the going concern status of the Company.

4 MATERIAL ACCOUNTING POLICIES INFORMATION

The material accounting polices applied in the preparation of these financial statements are set out below. These accounting policies have been consistently applied by the Company and are consistent with those used in the previous period, unless stated otherwise.

Revenue recognition

The Company recognises revenue when it transfers control of a product or service to a customer.

Revenue from contracts priced on a time and material basis is recognised when services are rendered. Revenue from fixed price contracts is recognised as performance obligation satisfied over a period of time based on the stage of completion of the contract. The stage of completion determined as the proportion of the total time expected to install that has elapsed at the end of the reporting period is an appropriate measure of progress towards complete satisfaction of these performance obligations.

The Company has entered into a service agreement with the Parent Company for reimbursement of costs incurred plus a mark-up ("cost plus method") which forms part of the revenue.

The Company has pass through billing agreement with Parent Company where the Company bills the third-party customers on behalf of Parent Company and revenue is recognised on net basis.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liability ("Unearned revenue") arises when there are billing in excess of revenue.

Cash and cash equivalents

Cash and cash equivalents comprise bank balances and short-term deposits with original contractual maturity period of three months or less. These are carried at amortised cost.

Financial instruments

Recognition and initial measurement

The financial instruments of the Company consist primarily of trade and other receivables, balance with a bank, trade, and other payables, due from and to Parent Company. The Company recognises financial instruments initially on the trade date, which is the date when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) – debt security; FVOCI – equity security; or FVTPL Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Any gain or loss on de-recognition is also recognised in profit or loss.

De-recognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which 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.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. 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 de-recognition 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.

Offsetting

Financial assets and liabilities are set off 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 intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Impairment

The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost. The Company measures loss allowances at an amount equal to lifetime ECLs, except for bank balances for which credit risk has not increased significantly since initial recognition.

Measurement of ECLs - Trade receivables

The Company measures expected credit loss for receivables that result from all possible default events over the expected life of the asset. This includes receivables that have objective evidence of impairment at the reporting date. Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

Measurement of ECLs- Cash and bank balances (General approach)

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Presentation of allowance for ECL in the statement of financial position

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

Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, less allowances for impairment.

Trade and other payables (excluding employees' benefits)

Trade and other payables (excluding employees' benefits) are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Foreign currency transactions

Foreign currency transactions are accounted for at the rates of exchange prevailing at the dates of the transactions. Gains and losses arising from the settlement of such transactions and from the translation, at the year-end rates, of monetary assets and liabilities denominated in foreign currencies, are recognised in the statement of profit or loss and other comprehensive income. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates 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 translated using the exchange rate at the date of the transaction.

Employees' terminal benefits

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has 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.

Post employment benefits

Employees' terminal benefits and entitlements to annual leave, holiday, air passage and other short-term benefits are recognised as they accrue to the employees. The Company contributes to the pension scheme for Bahraini nationals administered by the Social Insurance Organisation in the Kingdom of Bahrain. This is a defined contribution pension plan and the Company's contributions are charged to the separate statement of profit or loss and other comprehensive income in the year to which they relate. In respect of this plan, the Company has a legal obligation to pay the contributions as they fall due and no obligation exists to pay the future benefits.

The expatriate employees of the Company are paid leaving indemnity in accordance with the provisions of the Bahrain Labour Law. The Company accrues for its liability in this respect on an annual basis until 29 February 2024, thereafter the Company contributes to the leaving indemnity for expatriate employees administered by the Social Insurance Organisation in the Kingdom of Bahrain.

Provision

The Company recognises provisions when it has a present legal or constructive obligation to transfer economic benefits as a result of past events and a reasonable estimate of the obligation can be made.

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's ordinary shares are classified as equity instruments.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

As a Lessee

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

5 TRADE AND OTHER RECEIVABLES

(Expressed in Bahrain Dinars)

	31 March 2025	31 March 2024
Trade receivables	-	50,324
Unbilled revenue	**995**	-
VAT receivables (net)	**638**	1,067
Advance to employees and prepayments	**8,265**	13,808
	9,898	65,199

(i) The movements of the allowance for impairment of trade receivables were as follows:

	31 March 2025	31 March 2024
Opening balance	-	12,211
Allowances written off during the year	**-**	(12,211)
Closing balance	**-**	-

Trade receivables are generally on 30 days credit terms and are mainly denominated in Bahrain Dinars.

All unimpaired trade receivables are expected on the basis of past experience, to be fully recoverable. It is not the practice of the Company to obtain collateral over trade receivables and, therefore, all are unsecured.

The Company applies the IFRS 9 simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and aging.

The expected loss rates are based on the Company's historical credit losses experienced over two years period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Company's customers. The Company has identified the Gross Domestic Product (GDP) as the key measurement factor in the countries where the Company operates.

In the opinion of the Company's management, the fair values of trade and other receivables are not significantly different from their carrying values classified at amortised cost.

6 RELATED PARTY TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include the shareholders, Director, key management personnel and their close family members and such other companies over which the Company or its Parent Company, Directors, key management personnel and their close family members can exercise significant influence or can be significantly influenced by those parties. Transactions with the related parties are authorised by the management and are on an arm's length basis.

A significant portion of the Company's transactions in the normal course of business are with the Parent Company. All transactions are subject to controls embedded in respective processes in line with the Parent Company policies and procedures. These financial statements may not necessarily be indicative of the financial position that would have existed or of the Company's results of operations, if the Company had been operated as an unaffiliated Company.

	31 March 2025	31 March 2024
Amounts due from related parties		
Tech Mahindra Limited , India	**74,850**	24,073
Tech Mahindra Egypt Technologies	**15,123**	15,123
	89,973	39,196

Amounts due from related parties are unsecured, bear no interest, have no fixed repayment terms, and are authorised by the Company's management.

The transactions with Parent Company are as follow:	**31 March 2025**	**31 March 2024**
Revenue from services (Note 12)	**172,324**	301,666

7 CASH AND CASH EQUIVALENTS

	31 March 2025	31 March 2024
Bank Balance (i)	25,823	93,315
Short term deposits with bank (ii)	**353,950**	300,803
	379,773	394,118

(i) The current account balances with banks are non-interest bearing.

(ii) Short term deposits with bank outstanding at year end, earns interest at a rate of 3% to 4% (2024: 4% to 5%) per annum with original maturity of less than 3 months.

8 SHARE CAPITAL

In accordance with the Company's Deed of Association, the authorised, issued and fully paid-up share capital of the Company is BD 50,000, comprising of 500 shares of BD 100 each.

The shareholding pattern of the Company at 31 March 2025 and 2024 is as follows:

Name of the Parent Company	Number of shares	Amount	Percentage of ownership interest
Tech Mahindra Ltd, India	500	50,000	100%

9 RESERVES

a) Statutory Reserve:

In accordance with the provisions of the Bahrain Commercial Companies Law, an amount equivalent to 10% of the Company's net profit before appropriations is required to be transferred to a non-distributable reserve account until such time as a minimum of 50% of the share capital is set aside. As this requirement has been met, no amount has been transferred to statutory reserve during the year ended 31 March 2025 (2024: BDNil). This reserve is not available for distribution except for dividend payment as permitted by Bahrain Commercial Companies Law.

b) Retained earnings:

Retained earnings represent the income earned during the year and prior periods after transferring to all the reserve. The retained earnings are available for distribution as decided by the Company's shareholders.

10 EMPLOYEES' TERMINAL BENEFITS

Local employees

The contributions made by the Company towards the pension scheme for Bahraini nationals administered by the Social Insurance Organisation in the Kingdom of Bahrain for the year ended 31 March 2025 amounted to BD710 (2024:Nil).

Expatriate employees

	31 March 2025	31 March 2024
Opening balance	**29,581**	20,990
Accruals during the year	**2,182**	9,194
Payments during the year	**(25,647)**	(603)
Closing balance	**6,116**	29,581

During the previous year ended 31 March 2024, in accordance with the change in the Social Insurance Organization ("SIO") regulations made through resolution no. 109 of 2023, effective from 1 March 2024, the employer needs to pay the end-of-service contribution in respect of the expatriate employees registered with SIO and SIO shall disburse the contributed amount to employees on completion of the employment term. The amount accrued by the Company until 29 February 2024, shall be maintained and settled by the Company with the respective employee amounting to BD5,406.

11 TRADE AND OTHER PAYABLES

	31 March 2025	31 March 2024
Trade payables	**1,325**	3,160
Provision for leave salary	**4,260**	16,600
Accrued expenses	**17,749**	9,643
	23,334	29,403

Trade payables are generally on 30 days credit terms and are mainly denominated in Bahrain Dinars.

In the opinion of the Company's management, the fair values of trade and other payables are not significantly different from their carrying values as financial liabilities measured at amortised cost.

12 REVENUE

The Company exercises judgment in determining whether a revenue transaction is recognised at a point in time or over time taking into consideration all the relevant facts and circumstances when applying each step of the model to contracts with their customers.

	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from service to Parent Company (Note 6)	**172,324**	301,666
	172,324	301,666
Disaggregate revenue information		
Geographic revenue		
India	**172,324**	301,666
Timing of Revenue Recognition		
Over a period of time	**172,324**	301,666

13 DIRECT COSTS

	Year ended 31 March 2025	Year ended 31 March 2024
Staff costs	**113,536**	233,598
Travel expenses	**24,500**	19,788
	138,036	253,386

14 GENERAL AND ADMINISTRATIVE EXPENSES

	Year ended 31 March 2025	Year ended 31 March 2024
Insurance expenses	**8,076**	12,807
Professional fees	**7,154**	10,132
Rent expenses relating to short-term leases	**2,965**	3,307
Telephone and mobile charges	**1,115**	3,081
Foreign exchange losses (net)	**132**	95
Miscellaneous expenses	**5,213**	4,143
	24,655	33,565

15 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments include financial assets and financial liabilities. Financial assets of the Company include trade and other receivables (excluding salary advances and prepaid expenses) and bank balances.

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The note also presents certain quantitative disclosures in addition to the disclosures throughout the financial statements. The Board of Directors of the Parent Company have overall responsibility for the establishment and oversight of the Company's risk management framework. The Parent Company's risk management framework ensures the Company's risk management. The Board of the Parent, which includes the Parent and its subsidiaries, oversees how the management monitors compliance with the Company's risk management framework and reviews its adequacy in relation to the risks faced by the Company.

Capital Management

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholders' value.

The Company manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. No changes were made in the objectives, policies and processes during the years ended 31 March 2025 and 2024.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, trade and other payables less cash and bank balances. Capital includes share capital and reserves attributable to the shareholders of the Company.

	31 March 2025	31 March 2024
Trade and other payables	**23,334**	29,403
Less: cash and bank balances	**(379,773)**	(394,118)
Net surplus	**(356,439)**	(364,715)
Share capital	**50,000**	50,000
Statutory reserve	**25,000**	25,000
Retained earnings	**375,194**	364,529
Total capital	**450,194**	439,529
Total capital and net surplus	**93,755**	74,814
Gearing ratio	**-**	-

The Company has net surplus as at 31 March 2025 and 2024. Accordingly, the gearing ratio has not been calculated.

Principal financial instruments

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

- Trade and other receivables (excluding prepayments);
- Amounts due from related parties
- Cash and bank balances
- Trade and other payables (excluding employees' benefits)

A summary of the financial instruments held by category is provided below as at 31 March

	31 March 2025	31 March 2024
Financial assets at amortised cost		
Trade and other receivables (excluding prepayments)	**1,633**	51,391
Amounts due from related parties	**89,973**	39,196
Cash and bank balances	**379,773**	394,118
Total Financial Assets	**471,379**	484,705

Financial liabilities at amortised cost	31 March 2025	31 March 2024
Trade and other payables (excluding employees' benefits)	**19,074**	12,803
Total Financial liabilities	**19,074**	12,803

II Risk Management

Risk management is carried out by the finance department of the Company under policies approved by the shareholder. The Company's finance department evaluates financial risks in close co-operation with the Company's operating units. The shareholder provides principles for overall risk management, as well as policies covering specific areas.

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented. There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless stated otherwise in this note.

The Company is exposed to through its operations to the following financial risk: credit risk, market risk, liquidity risk and fair value risk.

a) Credit risk

Credit risk is the risk that one party will fail to discharge an obligation and cause the other party to incur a financial loss. Cash is placed with reputed national and multinational banks. Concentrations of credit risk with respect to trade receivables are limited due to the Company's large number of customers that have a variety of end markets in which they sell. Management believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Company's trade receivables.

The Company does not enter into derivatives to manage credit risk, although in certain isolated cases, may take steps to mitigate such risks if it is sufficiently concentrated. The carrying amounts of the financial assets represent the Company's maximum exposure to credit risk.

Exposure to credit risk

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

	31 March 2025	
	Carrying value	**Maximum exposure**
Trade and other receivables (excluding prepayments)	**1,633**	**1,633**
Amounts due from related parties	**89,973**	**89,973**
Cash & bank balances	**379,773**	**379,773**
	471,379	**471,379**

	31 March 2024	
	Carrying value	**Maximum exposure**
Trade and other receivables (excluding prepayments)	51,391	51,391
Amounts due from related parties	39,196	39,196
Cash & bank balances	394,118	394,118
	484,705	484,705

(i) The Company gives a credit period of 30 days to its customers after which the receivables are classified as past due. Credit risk for trade receivables and unbilled revenue pertaining passthrough billing rests with the Parent Company. The Company does not hold any collateral against the above receivables.

(ii) The Company limits its exposure to credit risk on bank balances by maintaining balances with banks having high credit ratings. Given these high credit ratings, the Company does not expect any bank to fail to meet its obligations. Accordingly, there is no significant expected credit loss on bank and deposit balances as on 31 March 2025 (31 March 2024: Nil).

The following table provides information about the exposure to credit risk and ECLs for trade receivables:

Past Due	**Year ended 31 March 2025**			**Year ended 31 March 2024**		
	Gross receivables	**Loss rate**	**Impairment**	**Gross receivables**	**Loss rate**	**Impairment**
91-180 days	**-**	**-**	**-**	50,324	-	-
More than 1 year	**-**	**-**	**-**	-	-	-
	-	**-**	**-**	50,324	-	-

The Company has specifically assessed the exposure of trade and other receivables and does not expect the customer to fail to meet its obligations. Based on management assessment, there is no provision for impairment has been recorded on trade and other receivables as on 31 March 2025 (31 March 2024: Nil) on past due less than 1 year.

There were no past due trade receivables more than 1 year as on 31 March 2025 (31 March 2024: Nil).

b) Liquidity risk

liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

Liquidity risk is managed by monitoring on a regular basis to help ensure that sufficient funds are available, including unutilised credit facilities with banks, to meet all liabilities as they fall due.

c) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate due to changes in interest rate, currency rate, and equity price risk. The Company closely monitors the market forces and suitably revises the strategy to minimise the market risk.

d) Currency rate risk

Currency rate risk is the risk that the value of financial assets and liabilities will fluctuate due to changes in foreign exchange rates. The Company has trade payables primarily in Bahraini Dinar currencies, Since the Bahrain Dinar and other GCC currencies are pegged to the United States Dollar, the currency rate risk is not considered significant by management.

e) Interest rate risk

Interest rate risk is the risk that the value of financial asset or liability will fluctuate due to changes in market interest rates. The Company's assets and liabilities, in the opinion of the management, are not sensitive to interest rate risk.

f) Fair value measurement

Fair value is the amount 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.

Financial instruments not measured at fair value on recurring basis include cash and bank balances, trade and other receivables (excluding prepayments), amounts due from related parties and trade and other payables (excluding employees' benefits). In the opinion of the management, due to the short-term nature of these financial instruments, the fair value of these financial instruments is not significantly different from their carrying amounts as at 31 March 2025 and 2024.

16. COMPARATIVES

The corresponding figures have been regrouped where necessary to conform to the current year's presentation. The regrouping has not affected previously reported profit for the year or equity.

17. EVENTS AFTER REPORTING PERIOD

There were no significant events subsequent to 31 March 2025 and occurring before the date of the report that are expected to have a significant impact on these financial statements.

TECH MAHINDRA FINTECH HOLDINGS LIMITED

Board of Directors
Mr Pankaj Kulkarni - Appointed on 2nd May 2024.
Mr Birendra Sen - Appointed on 1st August 2024
Mr. Vivek Satish Agarwal – Resigned on 9th May 2024
Mr. Vikram Narayanan Nair – Resigned on 26th July 2024

Registered Office
401 Grafton Gate,
Milton Keynes,
MK9 1AQ

Banker
HSBC Bank Plc

Auditor
KNAV Limited
Rear Ground Floor, Hygeia Building
66-68 College Road
Harrow, HA1 1BE
United Kingdom

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2025

The directors present their strategic report for the year ended 31 March 2025.

Principal activities

The principal activity of Tech Mahindra Fintech Holdings Limited ("the company") is to hold an investment in the holding company which controls the Target Group of companies ("the group").

Business performance and developments during the year

The company was formed to acquire the share capital of Target Topco Limited. In August 2016 the company purchased 100% of the share capital of Target Topco Limited, the ultimate UK parent of Target Group Limited. Between FY20 and FY22 restructuring of group entities was undertaken with Target Topco Limited dissolved in January 2020 and Target TG Investments Limited dissolved in July 2021. With these changes, the company now holds 100 % of the share capital of Target Group Limited. The company does not carry out any activity other than holding an investment in Target Group Limited. During the year the company has provided for impairment of investment amounting to £19,500,000 (2024: £32,200,000) and hence incurred loss for the year amounting to £19,559,000 (2024: £32,247,000).

The company has made new investment during the year amounting to £4,000,000 in Target Group Limited in FY 2024-25.

Since the company is a holding company, it does not monitor any financial and non-financial KPI's.

Risks & uncertainties

As a holding company the directors have not identified any specific risks or uncertainties, other than the ability to meet liabilities as they fall due which is covered by the financial support offered by the parent company.

Cash flow risk is not considered material as an investment company the company does not have significant operational cash outflows and its expenses are relatively stable and predictable.

Credit risk is not considered material, as an investment company credit risk is preliminary attributable to its investments. The amount presented in the balance sheet are net of impairment. Impairment is made where there is an identified loss event which based on previous experience, is evidence of a reduction in the recoverability cash flows.

Liquidity risk is not considered material, as an investment company does not rely on external borrowing or complex funding arrangements and its expenditure is predictable and relatively low.

The most significant financial instrument held by the company is its investment in Target Group Limited. The directors understanding of the risks associated with the investment held by the entity relate to the potential impairment of those investment. To identify any risk of impairment in a timely manner, the company reviews the financial performance of its investments on a regular basis. Wherever necessary impairment loss has been provided for. At the year end the investment in Target Group Limited has been fully impaired.

Position of the company at the year end

At the end of the year, the company had a cash balance which is deemed to be sufficient to meet current liabilities as they fall due. Any shortfall would be covered by the financial support offered by the parent company as mentioned in the risks above. The net assets of the company have decreased by £8,059,190 from previous year mainly due to the impairment loss recognised during the year.

Statement of directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

The board of directors determines the purpose and values of the company. The primary role of the board is that of trusteeship, to protect and enhance stakeholders' value through the strategic supervision of the company and its subsidiaries.

The standalone company is a holding company and large due to the size of the group it owns. Responsibility for managing customer and supplier relationships sits with the group's operating subsidiaries. For further information regarding the customers, suppliers, people and environment of the group refer to the consolidated financial statements of Target Group Limited.

By order of the board

Birendra Sen
Director
Date: 16-05-2025

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025

The directors have pleasure in presenting their directors 'report and the financial statements for the year ended 31 March 2025.

Results and Dividend

The results of the operations for the year under review are set out in the Profit and Loss Account in the ensuing pages.

The directors do not recommend the payment of any dividend (2024: £Nil).

Directors

The directors shown below have held office during the whole of the period from 1st April 2024 to the date of this report.

- Mr. Pankaj Kulkarni - Appointed on 2nd May 2024.
- Mr. Birendra Sen - Appointed on 1st August 2024
- Mr. Vivek Satish Agarwal – Resigned on 9th May 2024
- Mr. Vikram Narayanan Nair – Resigned on 26th July 2024

Political contributions

There were no political contributions made during the current or prior year.

Energy and Carbon Reporting

The Company is a low energy user (consumption below 40,000 Kwh) and hence is exempt from reporting.

Disabled employees

The company along with its subsidiaries, always considers applications for employment by disabled persons, bearing in mind the aptitude of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure their employment with the Group continues and that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employees

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group. This is achieved through formal and informal meetings with the Executive Committee ("ExCo") in the form of all company broadcasts, senior leadership team meetings, 'Ask ExCo' Yammer page, 'MyForum' employee engagement group and group e-mail communications. The communication channels are open forums and are a way of consulting regularly with employees on a wide range of matters affecting their current and future interests.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditors, KNAV Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

On behalf of the Board

Birendra Sen
Director
Date: 16-05-2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2025

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with the applicable law and regulations.

Company Law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TECH MAHINDRA FINTECH HOLDINGS LIMITED

Opinion

We have audited the financial statements of Tech Mahindra Fintech Holdings Ltd ('the Company') for the year ended 31 March 2025 which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement Of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 UK, including the Financial Reporting Council's (FRC) Ethical Standard, 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of twelve months from when the financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act, 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out above, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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.

Extent to which the audit is capable of detecting irregularities, including fraud is detailed below:

We design our procedures so as to obtain sufficient appropriate audit evidence that the financial statements are not materially misstated due to non-compliance with laws and regulations or due to fraud or error.

We are not responsible for preventing non-compliance and cannot be expected to detect noncompliance with all laws and regulations. The primary responsibility for prevention and detection of fraud rest with both those charged with governance and management of the entity.

Based on our understanding of the Company and industry, discussions with management, we identified Companies Act 2006, Financial Reporting Standard 102 and UK taxation legislation as having a direct effect on the amounts and disclosures in the financial statements.

As part of the engagement team discussion about how and where the Company's financial statements may be materially misstated due to fraud, we did not identify any areas with an increased risk of fraud.

Our audit procedures included:

- enquiry of management about the Company's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review of the minutes of the meetings conducted by the Board of Directors;

- enquiry of management of legal matters in the year;
- evaluation of the selection and application of accounting policies related to subjective measurements and complex transactions;
- analytical procedures to verify unusual or unexpected relationships;
- testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements; and
- review of accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting

from fraud because fraud may involve sophisticated and carefully organized schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Amanjit Singh FCA (Senior Statutory Auditor)
for and on behalf of KNAV Limited

Ground Floor
Hygeia Building
66-68 College Road
Harrow
Middlesex
HA1 1BE

Date: 16-05-2025
UAC: 2025-37-UK

PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

Particulars	Note	Year ended 31-Mar-25	Year ended 31-Mar-24
		£'000	£'000
Administrative Expenses		**(12)**	(47)
Operating Loss		**(12)**	(47)
Other Income		**29**	-
Finance Cost		**(76)**	-
Impairment of Investments	8	**(19,500)**	(32,200)
Loss before Tax		**(19,559)**	(32,247)
Tax on Loss		**-**	-
Loss after Tax		**(19,559)**	(32,247)
Other comprehensive income		**-**	-
Total Comprehensive Income		**(19,559)**	(32,247)

(See accompanying notes forming part of the financial statements)

BALANCE SHEET AT 31 MARCH 2025

Particulars	Note	As at 31-03-2025	As at 31-03-2024
		£'000	£'000
FIXED ASSETS			
Investments	8	**-**	15,500
CURRENT ASSETS			
Debtors	9	**-**	52
Cash at bank and in hand	10	**656**	8,161
		656	8,213
CREDITORS			
Amounts falling due within one year	11	**(10)**	(15,008)
NET CURRENT ASSETS / (LIABILITIES)		**646**	(6,795)
NET ASSETS		**646**	8,705
EQUITY AND LIABILITIES			
Called up share capital		**133**	90
Share premium		**132,512**	121,055
Retained earnings		**(131,999)**	(112,440)
SHAREHOLDERS FUNDS		**646**	8,705

These financial statements were approved by the Board of Directors and authorized for issue on 16-05-2025 and were signed on its behalf by:

Birendra Sen
Director
Company registration number: 10203355

(See accompanying notes forming part of the financial statements)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

Particulars	Called Up Share Capital	Share Premium Account	Profit and Loss Account	Total Equity
	£'000	£'000	£'000	£'000
Balance as at 1 April 2023	60	107,585	(80,193)	27,453
Addition/Adjustments during the year	30	13,470		13,500
Total Comprehensive Income for the period			(32,247)	(32,247)
Balance as at 31 March 2024	**90**	**121,055**	**(112,440)**	**8,705**
Balance as at 1 April 2024	90	121,055	(112,440)	8,705
Addition/Adjustments during the year	43	11,457		11,500
Total Comprehensive Income for the period			(19,559)	(19,559)
Balance as at 31 March 2025	**133**	**132,512**	**(131,999)**	**646**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1 Company information

Tech Mahindra Fintech Holdings Limited ('the Company') is a private company limited by shares, incorporated, registered, and domiciled in England and Wales, in the United Kingdom. The registered office is 401 Grafton Gate, Milton Keynes, MK9 1AQ.

2 Accounting policies

Basis of preparing financial statements

The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and Companies Act 2006.

The company's functional and presentation currency is British Pound Sterling (£). All amounts in the financial statements have been rounded to the nearest £1,000.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 401 of the Companies Act 2006. The company's ultimate parent undertaking, Tech Mahindra Limited includes the company in its consolidated financial statements. The consolidated financial statements of Tech Mahindra Limited are prepared in accordance with the Indian Accounting Standards which are available to the public and can be obtained from the company's website (www.techmahindra.com). In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7;
- the requirements of Section 11 Basic Financial Instrument.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

2.1 Measurement convention

The financial statements have been prepared using the historical cost convention unless otherwise specified within these accounting policies.

2.2 Going concern

The company does not carry on any activities other than holding an investment in Target Group Limited.

As at 31 March 2025, the company had net current assets of £646,000 (2024: Net current liabilities of £6,794,567), total assets of £656,000 (2024: £8,213,000) and reported a loss for the year then ended of £19,559,190 (2024: £32,247,270). The directors have prepared the financial statements on a going concern basis which they consider to be appropriate for the following reasons.

The directors are confident that the company will have sufficient funds to meet its liabilities as they fall due as Tech Mahindra Limited, the ultimate parent company has indicated that they will provide necessary funding to support the company to meet its obligations as they fall due for at least twelve months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

2.3 Foreign currency

Transactions in foreign currencies are translated to the companies' functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non- monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognized in the profit and loss account.

2.4 Classification of financial instruments issued by the company.

In accordance with FRS 102 Section 22, financial instruments issued by the company are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavorable to the company; and

- where the instrument will or may be settled in the company's own equity instruments, it is either a non- derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

2.5 Basic financial instruments

Trade and other debtors and creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses. In the company balance sheet, investments in subsidiaries acquired for consideration are measured by reference to purchase price less any impairment.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less impairment.

Cash and cash equivalents.

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand are included within liabilities.

2.6 Impairment

Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Non-financial assets

The carrying amounts of the entity's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its Cash Generating Unit (CGU) exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

2.7 Provisions

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

2.8 Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

3 Judgments in applying accounting policies and key sources of estimation uncertainty.

The preparation of financial statements in conformity with FRS 102 requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, turnover, costs, expenses, and other comprehensive income that are reported and disclosed in the financial statements and accompanying notes. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Significant estimates and assumptions are used as follows:

Impairment of investments – This is explained under note 2.6 and in note 8.

4 Auditor's remuneration

	Year ended 31-Mar-25	Year ended 31-Mar-24
	£000	£000
Audit of these financial statements	**10**	9
	10	9

5 Staff numbers and costs

There were no employees in the company during the year ended 31 March 2025 (2024: Nil).

6 Directors' remuneration

No remuneration or benefits were paid to any of the directors during the year ended 31 March 2025 (31 March 2024 – Nil).

The directors are remunerated by other group companies, however none of their remuneration was in respect of this company, due to its nature as a non-trading holding company.

7 Taxation

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Year ended 31-Mar-25	Year ended 31-Mar-24
	£'000	£'000
Loss before Tax	**(19,559)**	(32,247)
Tax Using UK corporation Tax Rate (25%)	**(4,889)**	(8,061)
Effects of:		
Expenses not deductible for tax purposes	**4,875**	8,050
Adjustment from tax losses	**14**	11
Total Tax Charge	**-**	-

8 Fixed Asset Investment

	Year ended 31-Mar-25	Year ended 31-Mar-24
	£'000	£'000
Cost		
At 1 April	**15,500**	27,000
Addition to investments in Target Group Limited	**4,000**	20,700
Adjustment on account of impairment	**(19,500)**	(32,200)
Net book value	**-**	15,500

Investment in Target Group Limited

The company's wholly owned subsidiaries as at 31 March 2025 were as below

Subsidiary Undertaking	Registered Office	Principal activity	Class of shares held	% Held
Target Group Limited	Imperial Way, Coedkernew, Newport, Wales, NP10 8UH.	Business and domestic software development	Ordinary	100%

The revenue projections of the Target Group Limited for the next year have reduced significantly considering offboarding of few loss-making customers during the year.

Target's most recent projections for performance are as follows:

Particulars	FY26	FY27	FY28	FY29	FY30
Revenue	39.2	32.97	31.9	33.84	34.5
Cost	42.7	19.37	25.4	27.04	24.6
Normalised EBITDA	0.1	2.3	2.6	2.9	3.1

Owing to the above-mentioned factors and decline in operations, the company performed impairment analysis for Target Group Limited for the year ended 31 March 2025. The recoverable amount (computed considering a pre-tax discounting rate of 15.2%) was lower than the carrying value of investments, the company has recognised an impairment loss of £19,500,000 in the current year on its investment in Target Group Limited in the statement of profit and loss account.

The value of the investment currently remains at NIL (2024: £15,500,000) at the end of the year.

9 Debtors

	Year ended 31-Mar-25	Year ended 31-Mar-24
	£'000	£'000
Amount owed by Group Undertaking	**-**	52
Prepayments	**-**	-
	-	52

Amounts owed by a group undertaking are unsecured, interest free and repayable on demand.

10 Cash at bank and in hand

	Year ended 31-Mar-25	Year ended 31-Mar-24
	£'000	**£'000**
Cash at bank	**656**	689
Funds in Transit	**-**	7,472
	656	8,161

11 Creditors: amounts falling due within one year

	Year ended 31-Mar-25	Year ended 31-Mar-24
	£'000	**£'000**
Other Creditors	**-**	3
Accrued Expenses	**10**	12
Amount owed to Group Undertaking	**-**	14,993
	10	15,008

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

12 Share Capital

	Number of shares	Number of shares
	31-Mar-25	**31-Mar-24**
Allotted, called up and fully paid		
Types of Shares	**No. of shares**	**No. of shares**
Opening balance - Ordinary shares of £0.010 each	**8,875,001**	5,875,001
Issued during the year - Ordinary shares of £0.010 each	**4,315,674**	3,000,000
Total Ordinary shares of £0.010 each	**13,190,675**	8,875,001
A1 shares of £0.0001 each	**62,500**	62,500
A2 voting shares of £0.0200 each	**62,500**	62,500
Total number of shares as at the year end	**13,315,675**	9,000,001

	Nominal value (£)	Nominal value(£)
	£'000	**£'000**
Ordinary Shares of £0.010 each	**132**	89
A1 Shares of £0.0001 each	**-**	-
A2 Voting Shares of £0.0200 each	**1**	1
	133	90

A1 Shares have no voting rights attached, are non-redeemable and are not entitled to dividends.

A2 Shares are entitled to the greater of two votes per share held, and such number of votes that would give the holder 5% of voting rights in the company (reducing other classes accordingly). The shares are non-redeemable and are not entitled to dividends.

Ordinary shares are entitled to one vote and are entitled to dividends.

In June 2024, Tech Mahindra Fintech Holdings Limited issued 1,666,700 ordinary shares for a consideration of £4.50 each to Tech Mahindra Limited, India. £4.49 per share has been recognised as a premium over the nominal value (£0.010 each) of the shares.

In March 2025, Tech Mahindra Fintech Holdings Limited issued an additional 2,649,007 ordinary shares at £1.51 each to Tech Mahindra Limited, India. £1.50 per share has been recognised as a premium over the nominal value (£0.010 each) of the shares.

Reserves

The share premium reserve represents the additional consideration paid over and above the nominal value of the shares. During the year the share premium reserve increased by £11,456,843 due to the issue of ordinary shares in June 2024 and March 2025 as mentioned above.

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

13. Related Party Transactions

The company has taken advantage of exemptions available in FRS 102 from disclosing related party transactions with other companies that are wholly owned within the Tech Mahindra Limited group.

14. Parent and ultimate parent undertaking

The company parent and ultimate parent is Tech Mahindra Limited, incorporated in India.

The largest group in which the results of the company are consolidated is that headed by Tech Mahindra Limited, having its registered office at Gateway Building, Apollo Bunder, Mumbai – 400001, India. The consolidated financial statements of Tech Mahindra Limited are available to the public on the National Stock Exchange of India Ltd (NSE), The BSE Limited (BSE) and the company's website (www.techmahindra.com).

For this year and the preceding year there is no ultimate controlling party.

COM TEC CO IT LIMITED

Board of Directors
Avraham Shaked
Pankaj Subhash Kulkarni - Appointed on 24 June 2024
Narasimham Venkata Rachakonda - Appointed on 19 March 2024
Vivek Satish Agarwal - Resigned on 24 June 2024
Manish Choudhary - Resigned on 19 March 2024

Company Secretary:
Servebase Secretarial Ltd

Independent Auditors:
K. Treppides & Co Limited
Certified Public Accountants and Registered Auditors
Treppides Tower
9, Kafkasou Street, Aglantzia
2112, Nicosia, Cyprus

Registered and Business Office:
23, John Kennedy Avenue
Globe House, 2nd Floor
1075, Nicosia, Cyprus

Registration Number:
HE286962

MANAGEMENT REPORT

The Board of Directors presents its report and audited consolidated financial statements of Com Tec Co IT Ltd and its subsidiaries (together with the Company, the ''Group'') for the year ended 31 December 2024.

Principal activities and nature of operations of the Group

The Group is primarily engaged in the provision of Information Technology, Software, Digital platforms and applications, and Digital transformation based solutions, products, and services, including Consulting, Engineering, Architecture and Design, Research and Development, Deployment, Support and Maintenance, Big Data, Artificial Intelligence, and Machine learning, Cyber security and more, to customers located around the worldwide, primarily in Europe, with primary expertise in financial oriented industries, mainly: Insurance and Reinsurance, Digital Insurance Brokering, Banking & Financial institutions and Electronic Payments.

Review of current position, future developments and performance of the Group's business

The Group's development to date, financial results and position as presented in the consolidated financial statements are considered satisfactory.

The Board of Directors does not expect in the foreseeable future, any significant negative changes or developments in the operations, financial position and performance of the Group out of the ordinary course of its business.

Principal risks and uncertainties

The principal risks and uncertainties faced by the Group are disclosed in notes 5, 6 and 26 of the consolidated financial statements.

Existence of branches

The Group did not operate through any branches during the year under review.

Results and Dividends

The Group's results for the year are set out below. The Board of Directors, following consideration did not approved the payment of a dividend.

Share capital

There were no changes in the share capital of the Company during the year under review.

On 26 July 2024, the Company applied to the Nicosia District Court to reduce its share premium by EURO10.000.000. The court approved the request on 23 October 2024 and as such the premium was reduced.

Board of Directors

The members of the Group's Board of Directors as at 31 December 2024 and at the date of this report are presented above.

On 19 March 2024, Mr. Manish Choudhary resigned from his position as the Company's Director and Mr Narasimham Venkata Rachakonda appointed in his place on the same date.

On 24 June 2024, Mr Vivek Satish Agarwal resigned from his position as the Company's Director and Mr Pankaj Subhash Kulkarni appointed in his place on the same date.

In accordance with the Company's Articles of Association all Directors presently members of the Board continue in office.

There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

Operating Environment of the Group

Any significant events that relate to the operating environment of the Group are described in note 26 of the consolidated financial statements.

Events after the reporting period

Any significant events that occurred after the end of the reporting period are described in note 30 of the consolidated financial statements.

Independent Auditors

The Independent Auditors, K. Treppides & Co Limited, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,

Avraham Shaked
Director

Nicosia, Cyprus
13 May 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Com Tec Co IT Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Com Tec Co IT Limited (the ''Company'') and its subsidiaries (the ''Group''), which are presented in pages 536 to 561 and comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes of the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

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 Consolidated Financial Statements" section of our report. We are independent of the Group 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 consolidated financial statements in Cyprus, 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.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Consolidated Management Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we 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.

Responsibilities of the Board of Directors for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRSs as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' 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 Group'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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Report on Other Legal Requirements

Pursuant to the additional requirements of the Auditors Law of 2017, we report the following:

- In our opinion, based on the work undertaken in the course of our audit, the Consolidated Management Report has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap 113, and the information given is consistent with the consolidated financial statements.

- In light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Consolidated Management Report. We have nothing to report in this respect.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

Georgios Strati
Certified Public Accountant and Registered Auditor for and on behalf of

K. Treppides & Co Limited
Certified Public Accountants and Registered Auditors

Nicosia, Cyprus
16 May 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2024

	Note	2024 EURO	2023 EURO
Revenue from IT services		**73.012.340**	78.992.478
Cost of IT services	7	**(61.942.303)**	(62.901.330)
Gross profit		**11.070.037**	16.091.148
Other operating income		**268.617**	261.766
Management and administration expenses	8	**(6.803.759)**	(7.358.218)
Other expenses	9	**(118.743)**	(1.509.966)
Operating profit		**4.416.152**	7.484.730
Net finance income/(cost)	11	**151.572**	(1.092.171)
Profit before tax		**4.567.724**	6.392.559
Tax	12	**(71.404)**	(1.930.619)
Net profit for the year		**4.496.320**	4.461.940
Other comprehensive income			
Exchange difference arising on the translation and consolidation of foreign companies' financial statements		**(3.166)**	44.713
Other comprehensive income for the year		**(3.166)**	44.713
Total comprehensive income for the year		**4.493.154**	4.506.653
Net profit for the year attributable to:			
Equity holders of the parent		**4.496.320**	4.461.940
Total comprehensive income for the year		**4.496.320**	4.461.940
Total comprehensive income for the year attributable to:			
Equity holders of the parent		**4.493.154**	4.506.653
Total comprehensive income for the year		**4.493.154**	4.506.653

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

	Note	2024 EURO	2023 EURO
ASSETS			
Non-current assets			
Plant and equipment	14	**659.080**	643.135
Right-of-use assets	15	**2.151.374**	2.745.504
Intangible assets	16	**36.085.088**	44.687.069
Total non-current assets		**38.895.542**	48.075.708
Current assets			
Trade and other receivables	17	**14.512.820**	15.963.178
Refundable taxes	24	**536.916**	524.249
Cash and cash equivalents	18	**34.407.785**	27.656.334
Total current assets		**49.457.521**	44.143.761
Total assets		**88.353.063**	92.219.469
EQUITY AND LIABILITIES			
Equity and Reserves			
Share capital	19	**101.000**	101.000
Other reserves	20	**40.951.724**	50.954.890
Retained earnings		**14.351.378**	9.855.058
Total equity		**55.404.102**	60.910.948
Non-current liabilities			
Lease liabilities	22	**246.676**	2.471.370
Total non-current liabilities		**246.676**	2.471.370
Current liabilities			
Trade and other payables	23	**30.748.768**	28.472.720
Short term loan	21	**5.730**	34
Lease liabilities	22	**1.947.787**	364.397
Total current liabilities		**32.702.285**	28.837.151
Total liabilities		**32.948.961**	31.308.521
Total equity and liabilities		**88.353.063**	92.219.469

On 13 May 2025 the Board of Directors of Com Tec Co IT Limited authorised these consolidated financial statements for issue.

Avraham Shaked Director	**Narasimham Venkata Rachakonda** Director	**Pankaj Subhash Kulkarni** Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2024

	Note	Share capital EURO	Share premium EURO	Translation reserve EURO	Retained earnings EURO	Total EURO
Balance at 1 January 2023		**101.000**	**68.999.000**	**(18.823)**	**18.393.118**	**87.474.295**
Total comprehensive income for the year		-	-	44.713	4.461.940	4.506.653
Transactions with owners						
Dividends	13	-	-	-	(13.000.000)	(13.000.000)
Reduction of share premium		-	(18.070.000)	-	-	(18.070.000)
Balance at 31 December 2023/ 1 January 2024		**101.000**	**50.929.000**	**25.890**	**9.855.058**	**60.910.948**
Comprehensive income						
Total comprehensive (loss)/ income for the year		-	-	(3.166)	4.496.320	4.493.154
Transactions with owners						
Reduction of share premium		-	(10.000.000)	-	-	(10.000.000)
Balance at 31 December 2024		**101.000**	**40.929.000**	**22.724**	**14.351.378**	**55.404.102**

Share premium is not available for distribution.

Exchange differences relating to the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Euro) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Gains and losses on hedging instruments that are designated as hedges of net investments in foreign operations are included in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal or partial disposal of the foreign operation.

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2024

	Note	2024 EURO	2023 EURO
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**4.567.724**	6.392.559
Adjustments for:			
Depreciation of plant and equipment	14	**411.870**	591.666
Depreciation of right-of-use assets	15	**1.060.973**	1.679.158
Exchange difference arising on the translation of non-current assets in foreign currencies		**16.030**	2.251
Exchange difference arising on the translation and consolidation of foreign companies' financial statements		**(3.166)**	44.713
Amortisation of computer software	16	**9.104.876**	9.031.360
Impairment charge on cash and cash equivalents	18	**112.816**	-
Interest income	11	**(262.840)**	-
Interest expense on lease liabilities	11	**72.507**	144.851
Cash flows generated from operations before working capital changes		**15.080.790**	17.886.558
Changes in working capital:			
Trade and other receivables	17	**1.450.358**	12.817.248
Trade and other payables	23	**(2.594.051)**	(2.333.249)
Cash generated from operations		**13.937.097**	28.370.557
Tax paid		**(84.071)**	(2.000.569)
Net cash generated from operating activities		**13.853.026**	26.369.988
CASH FLOWS FROM INVESTING ACTIVITIES			
Capitalisation of intangible assets	16	**(502.920)**	(603.718)
Payment for purchase of plant and equipment	14	**(461.787)**	(188.757)
Proceeds from disposal of intangible assets	16	**-**	11.391
Proceeds from disposal of plant and equipment	14	**17.967**	12.941
Interest received	11	**262.840**	-
Net cash used in investing activities		**(683.900)**	(768.143)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of leases liabilities		**(1.124.598)**	(1.849.460)
Interest paid		**-**	(10.886)
Dividends paid		**-**	(12.979.980)
Reduction of share premium	25	**(5.185.957)**	(8.157.696)
Net cash used in financing activities		**(6.310.555)**	(22.998.022)
Net increase in cash and cash equivalents		**6.858.571**	2.603.823
Cash and cash equivalents at beginning of the year		**27.656.300**	25.052.477
Impairment charge on cash and cash equivalents		**(112.816)**	-
Cash and cash equivalents at end of the year	18	**34.402.055**	27.656.300

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2024

1. Incorporation and principal activities

Country of incorporation

Com Tec Co IT Limited (the ''Company'') was incorporated in Cyprus on 13 May 2011, as an international business company with limited liability under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 23, John Kennedy Avenue, Globe House, 2nd Floor, 1075, Nicosia, Cyprus.

Principal activities

The Group is primarily engaged in the provision of Information Technology, Software, Digital platforms and applications, and Digital transformation based solutions, products, and services, including Consulting, Engineering, Architecture and Design, Research and Development, Deployment, Support and Maintenance, Big Data, Artificial Intelligence, and Machine learning, Cyber-security and more, to customers located around the worldwide, primarily in Europe, with primary expertise in financial-oriented industries, mainly: Insurance and Reinsurance, Digital Insurance Brokering, Banking & Financial institutions and Electronic Payments.

2. Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113. These consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets at fair value through profit or loss.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Group's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

3. Adoption of new or revised standards and interpretations

During the current year the Group adopted all the new and revised International Financial Reporting Standards (IFRSs) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2024. This adoption did not have a material effect on the accounting policies of the Group.

4. Significant accounting policies

The material accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented in these consolidated financial statements unless otherwise stated.

Basis of consolidation

The Company has subsidiary undertakings for which section 142(1)(b) of the Cyprus Companies Law Cap. 113 requires consolidated financial statements to be prepared and laid before the Company at the Annual General Meeting. The Group consolidated financial statements comprise the financial statements of the parent company Com Tec Co IT Ltd and the financial statements of the following subsidiaries, "C.T.CO" SIA, "CTDev" LLC and "CTC IT ES S.L." which are 100% owned by the Company.

All inter company transactions and balances between Group companies have been eliminated during consolidation.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-based Payment at the acquisition date; and

- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IAS 39, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Revenue

Recognition and measurement

Revenue represents the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised services to the customer, excluding amounts collected on behalf of third parties (for example, value-added taxes); the transaction price. The Group includes in the transaction price an amount of variable consideration as a result of rebates/discounts only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Estimations for rebates and discounts are based on the Group's experience with similar contracts and forecasted sales to the customer.

The Group recognises revenue when the parties have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations, the Group can identify each party's rights and the payment terms for the services to be transferred, the contract has commercial substance (i.e. the risk, timing or amount of the Group's future cash flows is expected to change as a result of the contract), it is probable that the Group will collect the consideration to which it will be entitled in exchange for the services that will be transferred to the customer and when specific criteria have been met for each of the Group's contracts with customers.

The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. In evaluating whether collectability of an amount of consideration is probable, the Group considers only the customer's ability and intention to pay that amount of consideration when it is due.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimates are reflected in the consolidated statement of profit or loss and other comprehensive income in the period in which the circumstances that give rise to the revision become known by Management.

Identification of performance obligations

The Group assesses whether contracts that involve the provision of a range of services contain one or more performance obligations (that is, distinct promises to provide a service) and allocates the transaction price to each performance obligation identified on the basis of its stand-alone selling price. A service that is promised to a customer is distinct if the customer can benefit from the service, either on its own or together with other resources that are readily available to the customer (that is the service is capable of being distinct) and the Group's promise to transfer the service to the customer is separately identifiable from other promises in the contract (that is, the service is distinct within the context of the contract).

- **Rendering of services**

  Revenue from IT related services is recognised over time while the Group satisfies its performance obligation by transferring control over the promised service to the customer in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to 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.

Employee benefits

The Company and its employees contribute to the Government Social Insurance Fund based on employees' salaries. In addition the Company operates a Provident fund scheme in accordance with the employees contractual agreement, the assets of which are held in a separate trustee-administered fund. The scheme is funded by payments from employees and by the Group. The Group's contributions are expensed as incurred and are included in staff costs. The Group has no legal or constructive obligations to pay further contributions if the scheme does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods.

Finance income

Interest income is recognised on an accrual basis.

Finance costs

Interest expense and other borrowing costs are charged to the statement of profit or loss and other comprehensive income as incurred.

Foreign currency translation

(1) Functional and presentation currency

Items included in the Group's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Euro (EURO), which is the Group's functional and presentation currency.

(2) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income. Translation

differences on non-monetary items such as equities held at fair value through profit or loss are reported as part of the fair value gain or loss.

Tax

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantively enacted, by the reporting date.

Plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on the straight-line method so as to write off the cost of each asset to its residual value over its estimated useful life. The annual depreciation rates used are as follows:

	%
Furniture, fixtures and office equipment	10-25
Computer Hardware	20-33.3
Motor vehicles	20
Plant and machinery	10

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, the asset is written down immediately to its recoverable amount.

Expenditure for repairs and maintenance of property, plant and equipment is charged to profit or loss of the year in which it is incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Computer software

Costs that are directly associated with identifiable and unique computer software products controlled by the Group and that will probably generate economic benefits exceeding costs beyond one year are recognised as intangible assets. Subsequently computer software is carried at cost less any accumulated amortisation and any accumulated impairment losses. Expenditure which enhances or extends the performance of computer software programs beyond their original specifications is recognised as a capital improvement and added to the original cost of the computer software. Costs associated with maintenance of computer software programs are recognised as an expense when incurred. Computer software costs are amortised using the straight-line method over their useful lives, not exceeding a period of three years. Amortisation commences when the computer software is available for use.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Leases

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

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a

substantive substitution right, then the asset is not identified;

- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:

- the Group has the right to operate the asset; or

- the Group designed the asset in a way that predetermines how and for what purpose it will be used.

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

The Group as lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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

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

- fixed payments, including in-substance fixed payments;

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

- amounts expected to be payable under a residual value guarantee; and

- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

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

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

The Group presents its right-of-use assets that do not meet the definition of investment property separately in the consolidated statement of financial position.

The lease liabilities are presented separately in the consolidated statement of financial position.

Financial assets

Financial assets - Classification

The Group classifies its financial assets at amortised cost.

The classification and subsequent measurement of debt financial assets depends on: (i) the Group's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Group may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For investments in equity instruments that are not held for trading, the classification will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Financial assets - Recognition and derecognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention (''regular way'' purchases and sales) are recorded at trade date, which is the date when the Group commits to deliver a financial instrument. All other purchases and sales are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Financial assets - Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in 'other income'. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss and other comprehensive income. Financial assets measured at amortised cost (AC) comprise: cash and cash equivalents, bank deposits with original maturity over 3 months, trade receivables and financial assets at amortised cost.

FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in ''other income''. Foreign exchange gains

and losses are presented in ''other gains/(losses)'' and impairment expenses are presented as separate line item in the consolidated statement of profit or loss and other comprehensive income.

FVTPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within ''other gains/(losses)'' in the period in which it arises.

Financial assets - impairment - credit loss allowance for ECL

The Group assesses on a forward-looking basis the ECL for debt instruments (including loans) measured at amortised cost and FVOCI and exposure arising from loan commitments and financial guarantee contracts. The Group measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

The carrying amount of the financial assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the consolidated statement of profit or loss and other comprehensive income within ''net impairment losses on financial and contract assets. Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

Debt instruments carried at amortised cost are presented in the consolidated statement of financial position net of the allowance for ECL. For loan commitments and financial guarantee contracts, a separate provision for ECL is recognised as a liability in the consolidated statement of financial position.

The impairment methodology applied by the Group for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

For all financial instruments that are subject to impairment under IFRS 9, the Group applies general approach - three stage model for impairment. The Group applies a three stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1.

Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter (''12 Months ECL''). If the Group identifies a significant increase in credit risk (“SICR'') since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any (“Lifetime ECL''). Refer to note 5, Credit risk section, for a description of how the Group determines when a SICR has occurred. If the Group determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. The Group’s definition of credit impaired assets and definition of default is explained in note 5, Credit risk section.

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks and bank overdrafts. In the consolidated statement of financial position, bank overdrafts are included in borrowings in current liabilities. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

Classification as financial assets at amortised cost

These amounts generally arise from transactions outside the usual operating activities of the Group. They are held with the objective to collect their contractual cash flows and their cash flows represent solely payments of principal and interest. Accordingly, these are measured at amortised cost using the effective interest method, less provision for impairment. Financial assets at amortised cost are classified as current assets if they are due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current assets.

Classification as trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain

significant financing components, in which case they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Trade receivables are also subject to the impairment requirements of IFRS 9. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. See note 5, Credit risk section.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 180 days past due.

Short term credit

Short term credits are recorded initially at the proceeds received, net of transaction costs incurred. Short term credits are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Trade and other payables

Trade and other payables are initially measured at fair value and are subsequently measured at amortised cost.

Share capital

Ordinary shares are classified as equity. The difference between the fair value of the consideration received by the Company and the nominal value of the share capital being issued is taken to the share premium account.

5. Financial risk management

Financial risk factors

The Group is exposed to credit risk, liquidity risk and currency risk arising from the financial instruments it holds. The risk management policies employed by the Group to manage these risks are discussed below:

5.1 Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

31 December 2024	Financial assets at amortised cost	Total
	EURO	EURO
Assets as per consolidated statement of financial position:		
Trade and other receivables (excluding accrued income, deposits and prepayments)	11.906.348	11.906.348
Cash and cash equivalents	34.407.785	34.407.785
Total	**46.314.133**	**46.314.133**

	Borrowings and other financial liabilities	Total
	EURO	EURO
Liabilities as per consolidated statement of financial position:		
Short term credit	5.730	5.730
Lease liabilities	2.194.463	2.194.463
Trade and other payables (excluding accruals, deferred income, VAT payable and other taxes)	28.372.284	28.372.284
Total	**30.572.477**	**30.572.477**

31 December 2023	Financial assets at amortised cost	Total
	EURO	EURO
Assets as per consolidated statement of financial position:		
Trade and other receivables (excluding accrued income, deposits and prepayments)	13.598.418	13.598.418
Cash and cash equivalents	27.656.334	27.656.334
Total	41.254.752	41.254.752

	Borrowings and other financial liabilities	Total
	EURO	EURO
Liabilities as per consolidated statement of financial position:		
Short term credit	34	34
Lease liabilities	2.835.767	2.835.767
Trade and other payables (excluding accruals, deferred income, VAT payable and other taxes)	26.242.482	26.242.482
Total	29.078.283	29.078.283

5.2 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Credit risk arises cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

(i) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, the Group has established policies whereby the majority of bank balances are held with independently rated parties with a minimum rating of ‘C’.

If wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, Management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual credit limits and credit terms are set based on the credit quality of the customer in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

(ii) Impairment of financial assets

The Group has the following types of financial assets that are subject to the expected credit loss model:

- trade receivables
- receivables from related parties
- other receivables
- cash and cash equivalents

The impairment methodology applied by the Group for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

For all financial assets that are subject to impairment under IFRS 9, the Group applies general approach - three stage model for impairment. The Group applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial asset that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter (‘’12

Months ECL''). If the Group identifies a significant increase in credit risk ("SICR'') since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL''). If the Group determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL.

Impairment losses are presented as net impairment losses on financial and contract assets within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Significant increase in credit risk

The Group considers the probability of default upon initial recognition of the asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's/counterparty's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower/counterparty
- significant increases in credit risk on other financial instruments of the same borrower/counterparty
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the borrower/counterparty, including changes in the payment status of counterparty in the Group and changes in the operating results of the borrower/counterparty.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. No significant changes to estimation techniques or assumptions were made during the reporting period.

Write-off

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categorises a debt financial asset for write off when a debtor fails to make contractual payments. Where debt financial assets have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The Group's exposure to credit risk for each class of asset subject to the expected credit loss model is set out below:

Trade receivables

The majority of trade receivables are repaid in the beginning of 2025, therefore no expected credit loss has been recognised by the Company's management.

Receivables from related parties

The expected credit losses were calculated based on the probability of default and loss given using the Moody's historic data for the country that the debtors are operating and the exposure at default of the receivable balances from related parties.

The Company has not recognised expected credit loss on receivables from related parties which are subject to the impairment requirement of IFRS 9 as the effect is considered to be insignificant.

Other receivables

The Company does not have any material other receivables that are subject to the impairment requirements of IFRS9.

Cash and cash equivalents

The Company's cash and cash equivalents are held in financial institutions which are members of the Deposit Guarantee and Resolution of Credit and Other Institutions Scheme (DGS) where the depositors' savings up to EURO100.000 are secured.

The expected credit losses were calculated based on the probability of default and loss given using the Moody's historic data for the country that the banks are operating and the exposure at default of the cash and cash equivalents.

	2024	**2023**
	EURO	EURO
Gross carrying amount	**34.520.601**	27.656.333
Less: expected credit loss	**(112.816)**	-
Total	**34.407.785**	27.656.333

The loss allowance for these assets as at 31 December 2023 and 31 December 2024 reconciles to the opening loss allowance for that provision as follows:

	Stage 1 Performing	**Total**
	EURO	EURO
Opening balances as at 1 January 2023	-	-
Loss allowance at 31 December 2023	-	-
Expected credit loss	112.816	112.816
Closing loss allowance at 31 December 2024	**112.816**	**112.816**

5.2.3 Credit quality of financial assets

The table below shows an analysis of the Group's bank deposit by the credit rating of the bank in which they are held:

		2024	**2023**
Bank group based on credit ratings by Moody's	**No of banks**	**EURO**	EURO
A3	2	**15.996.134**	18.583.492
Ba1	1	**187.872**	352.079
Baa1	1	**-**	8.366.247
Baa2	1	**18.034.876**	74.335
Without credit rating	4	**300.926**	279.431
		34.519.808	27.655.584

The rest of the consolidated statement of financial position item ''Cash and cash equivalents'' is cash in hand.

5.3 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Group has no formal procedures with the object of minimising such losses.

5.4 Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group's measurement currency. The Group is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the US Dollar, Swiss Franc, Belarussian Ruble and the Great British Pound. The Group's Management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

Fair value estimation

The fair values of the Group's financial assets and liabilities approximate their carrying amounts at the reporting date.

6. Critical accounting estimates, judgments and assumptions

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- **Calculation of loss allowance**

  When measuring expected credit losses the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

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

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

- **Income taxes**

  Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Critical judgements in applying the Group's accounting policies

- **Impairment of financial assets**

  The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 5, Credit risk section.

- **Impairment of non-financial assets**

  The impairment test is performed using the discounted cash flows expected to be generated through the use of non-financial assets, using a discount rate that reflects the current market estimations and the risks associated with the asset. When it is impractical to estimate the recoverable amount of an asset, the Group estimates the recoverable amount of the cash generating unit in which the asset belongs to.

- **Impairment of intangible assets**

  Intangible assets are initially recorded at acquisition cost and are amortized on a straight line basis over their

useful economic life. Intangible assets that are acquired through a business combination are initially recorded at fair value at the date of acquisition. Intangible assets with indefinite useful life are reviewed for impairment at least once per year. The impairment test is performed using the discounted cash flows expected to be generated through the use of the intangible assets, using a discount rate that reflects the current market estimations and the risks associated with the asset. When it is impractical to estimate the recoverable amount of an asset, the Group estimates the recoverable amount of the cash generating unit in which the asset belongs to.

- **Determination of the lease term**

  In determining the lease term, Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

  The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

- **Useful live of depreciable assets**

  The Board of Directors assesses the useful lives of depreciable assets at each reporting date, and revises them if necessary so that the useful lives represent the expected utility of the assets to the Group. Actual results, however, may vary due to technological obsolescence, mis-usage and other factors that are not easily predictable.

7. Cost of IT services

	2024	2023
	EURO	EURO
Cost of software development	**6.296.669**	3.828.059
Staff costs (Note 10)	**44.030.471**	47.399.760
Business travelling	**556.497**	541.018
Subscription and licensing	**334.375**	296.153
Other development costs	**1.160.313**	1.172.266
Amortisation of computer software (Note 16)	**9.104.876**	9.031.360
Recruitment cost	**47.232**	41.048
Depreciation of plant and equipment (Note 14)	**411.870**	591.666
	61.942.303	62.901.330

8. Management and administration expenses

	2024	2023
	EURO	EURO
Staff costs (Note 10)	**3.893.479**	3.818.406
Municipality taxes	**4.515**	2.962
Utilities	**169.723**	183.198
Insurance	**292.633**	320.313
Subscriptions and licensing	**62.473**	43.404
Non charitable donations	**13.422**	11.526
Staff training	**129.126**	221.479
Computer supplies and maintenance	**9.343**	420
Certification and legalisation expenses	**37.988**	38.095
Auditor’s remuneration	**72.135**	68.424
Travelling expenses	**10.053**	5.471
Telephone expenses	**14.279**	5.961

	2024	2023
	EURO	EURO
Professional fees	**426.781**	371.186
Management fees	**178.437**	178.437
Office expenses	**408.093**	388.945
Quality management system audit fees	**5.345**	4.509
Advertising and marketing expenses	**13.836**	13.874
Depreciation of right-of-use assets (Note 15)	**1.060.973**	1.679.158
Other expenses	**1.125**	2.450
	6.803.759	7.358.218

Non audit fees of EURO34.150 (2023: EURO13.161) have been charged by the Company's statutory auditors.

9. Other expenses

	2024	2023
	EURO	EURO
Impairment charge on cash and cash equivalents (Note 5.2)	**112.816**	-
Extraordinary costs	**5.927**	1.509.966
	118.743	1.509.966

10. Staff costs (Note 7 and 8)

	2024	2023
	EURO	EURO
Salaries	**39.012.712**	42.030.020
Social security costs	**8.860.162**	9.295.581
Provident fund	**47.442**	34.599
Unused vacation expense	**3.634**	(142.034)
	47.923.950	51.218.166
Average number of employees (including Directors in their executive capacity)	**645**	714

The Company has a Provident Fund scheme based on the employees contractual agreement, which is funded separately and prepares its own financial statements whereby employees are entitled to payment of certain benefits upon retirement or prior termination of service.

11. Finance income/(costs)

	2024	2023
	EURO	EURO
Interest income	**262.840**	-
Exchange profit	**106.403**	-
Finance income	**369.243**	-
	(106.427)	(852.833)
Net foreign exchange losses		
Interest expense on lease liabilities (Note 22)	**(72.507)**	(144.851)
Interest on taxes	**(175)**	(10.886)
Other finance expenses/bank charges	**(38.562)**	(83.601)
Finance costs	**(217.671)**	(1.092.171)
Net finance income/(cost)	**151.572**	(1.092.171)

12. Tax

	2024	2023
	EURO	EURO
Corporation tax	**71.404**	1.915.593
Overseas tax	**-**	15.026
Charge for the year	**71.404**	1.930.619

13. Dividends

	2024	2023
	EURO	EURO
Interim dividend paid	**-**	13.000.000

During 2024, the Board of Directors did not approved the payment of an interim dividend (2023: EURO13.000.000).

Dividends are subject to a deduction of special contribution for defence at 17% for individual shareholders that are both Cyprus tax resident and Cyprus domiciled. Dividends are also subject to a 2,65% contribution to the General Healthcare System.

14. Plant and equipment

	Plant and machinery	Motor vehicles	Furniture, fixtures and office equipment	Computer hardware	Total
	EURO	EURO	EURO	EURO	EURO
Cost					
Balance at 1 January 2023	2.425	15.000	44.499	4.884.080	4.946.004
Additions	1.041	22.551	3.223	161.942	188.757
Disposals	-	(15.000)	(771)	(353.080)	(368.851)
Reclassification	-	-	448.732	(448.732)	-
Balance at 31 December 2023/ 1 January 2024	**3.466**	**22.551**	**495.683**	**4.244.210**	**4.765.910**
Additions	3.159	-	12.770	445.858	461.787
Disposals	(244)	-	-	(414.713)	(414.957)
Balance at 31 December 2024	**6.381**	**22.551**	**508.453**	**4.275.355**	**4.812.740**
Depreciation					
Balance at 1 January 2023	733	9.000	28.208	3.846.859	3.884.800
Charge for the year (Note 7)	346	3.378	26.469	561.473	591.666
On disposals	-	(11.250)	(1.960)	(342.700)	(355.910)
Exchange differences	-	-	-	2.219	2.219
Reclassification	-	-	406.494	(406.494)	-
Balance at 31 December 2023/ 1 January 2024	**1.079**	**1.128**	**459.211**	**3.661.357**	**4.122.775**
Charge for the year (Note 7)	930	4.510	18.707	387.723	411.870
On disposals	(73)	-	-	(396.917)	(396.990)
Exchange differences	-	-	-	16.005	16.005
Balance at 31 December 2024	**1.936**	**5.638**	**477.918**	**3.668.168**	**4.153.660**
Net book amount					
Balance at 31 December 2024	**4.445**	**16.913**	**30.535**	**607.187**	**659.080**
Balance at 31 December 2023	**2.387**	**21.423**	**36.472**	**582.853**	**643.135**

15. Right-of-use assets

	Offices
	EURO
Cost	
Balance at 1 January 2023	10.745.682
Additions	92.252
Adjustment to right-of-use asset	720.748
Derecognition	(1.997.969)
Balance at 31 December 2023/ 1 January 2024	**9.560.713**
Additions	471.139
Adjustment to right-of-use asset	(3.329.497)
Balance at 31 December 2024	**6.702.355**
Depreciation	
Balance at 1 January 2023	5.399.685
Charge for the year (Note 8)	1.679.158
Adjustment to right-of-use asset	505.464
Derecognition	(769.098)
Balance at 31 December 2023/ 1 January 2024	**6.815.209**
Charge for the year (Note 8)	1.060.973
Adjustment to right-of-use asset	(3.325.201)
Balance at 31 December 2024	**4.550.981**
Net book amount	
Balance at 31 December 2024	**2.151.374**
Balance at 31 December 2023	**2.745.504**

The right-of-use assets reflects the Company's obligation to make lease payments for the period from 1 January 2022 to 31 April 2028. The average monthly rental for the premises in Great Britain is GBP2.750 which is equivalents to EURO3.164. The average monthly rental for the premises in Cyprus range between EURO2.500 and EURO4.810. The average monthly rent for the premises in Latvia is EURO28.079. The average effective borrowing rates for the year ended 31 December 2024 used are 3,50% and 3,30%, respectively.

16. Intangible assets

	Computer software
	EURO
Cost	
Balance at 1 January 2023	90.918.152
Additions	603.718
Disposals	(258.936)
Balance at 31 December 2023/ 1 January 2024	**91.262.934**
Additions	502.920
Disposals	(902)
Balance at 31 December 2024	**91.764.952**

	Computer software
	EURO
Amortisation	
Balance at 1 January 2023	37.792.018
On disposals	(247.545)
Amortisation for the year (Note 7)	9.031.360
Exchange differences	32
Balance at 31 December 2023/ 1 January 2024	**46.575.865**
On disposals	(902)
Amortisation for the year (Note 7)	9.104.876
Exchange differences	25
Balance at 31 December 2024	**55.679.864**
Net book amount	
Balance at 31 December 2024	**36.085.088**
Balance at 31 December 2023	**44.687.069**

17. Trade and other receivables

	2024	2023
	EURO	EURO
Trade receivables	**5.903.314**	12.039.952
Receivables from related parties (Note 27.5)	**5.756.145**	1.222.171
Director’s current account - debit balance (Note 27.9)	**-**	1.832
Deposits and prepayments	**795.168**	816.200
Accrued income (Note 27.4)	**1.811.304**	1.548.560
Other receivables	**246.889**	334.463
	14.512.820	15.963.178

The fair values of trade and other receivables due within one year approximate to their carrying amounts as presented above.

The exposure of the Group to credit risk and impairment losses in relation to trade and other receivables is reported in note 5 of the consolidated financial statements.

18. Cash and cash equivalents

	2024	2023
	EURO	EURO
Cash in hand	**793**	750
Cash at bank	**34.519.808**	27.655.584
Accumulated impairment losses on cash and cash equivalents	**(112.816)**	-
	34.407.785	27.656.334

For the purposes of the consolidated cash flow statement, the cash and cash equivalents include the following:

	2024	2023
	EURO	**EURO**
Cash at bank and in hand	**34.407.785**	27.656.334
Bank overdrafts (Note 21)	**(5.730)**	(34)
	34.402.055	27.656.300

Cash and cash equivalents by currency:

	2024	2023
	EURO	**EURO**
United States Dollars	**1.182.166**	1.392.688
Euro	**31.255.074**	24.810.770
Great British Pounds	**44.124**	43.270
Swiss Franc	**1.902.766**	1.408.982
Belarusian Ruble	**23.655**	624
	34.407.785	27.656.334

The exposure of the Group to credit risk and impairment losses in relation to cash and cash equivalents is reported in note 5 of the consolidated financial statements.

19. Share capital

	2024	2024	2023	2023
	Number of shares	**EURO**	Number of shares	EURO
Authorised				
Ordinary shares of EURO1 each	**101.000**	**101.000**	101.000	101.000
Issued and fully paid				
Balance at 1 January	**101.000**	**101.000**	101.000	101.000
Balance at 31 December	**101.000**	**101.000**	101.000	101.000

20. Other reserves

	Share premium	Total
	EURO	**EURO**
Balance at 1 January 2023	68.999.000	68.980.177
Reduction of share premium (Note 25)	(18.070.000)	(18.070.000)
Balance at 31 December 2023/ 1 January 2024	**50.929.000**	**50.954.890**
Reduction of share premium (Note 25)	(10.000.000)	(10.000.000)
Balance at 31 December 2024	**40.929.000**	**40.951.724**

On 26 July 2024, the Company applied to the Nicosia District Court to reduce its share premium by EURO10.000.000. The court approved the request on 23 October 2024 and as such the premium was reduced.

21. Short term credit

	2024	2023
	EURO	**EURO**
Bank overdrafts (Note 18)	**5.730**	34

22. Lease liabilities

	Minimum lease payments		The present value of minimum lease payments	
	2024	**2023**	**2024**	**2023**
	EURO	**EURO**	**EURO**	**EURO**
Not later than 1 year	**2.153.369**	1.514.988	**1.947.787**	364.397
Later than 1 year and not later than 5 years	**3.076.195**	2.884.097	**246.676**	2.471.370
	5.229.564	4.399.085	**2.194.463**	2.835.767
Future finance charges	**(3.035.101)**	(1.563.318)	**-**	-
Present value of lease liabilities	**2.194.463**	2.835.767	**2.194.463**	2.835.767

It is the Group's policy to lease certain of its fixtures and equipment. The average lease term is 53 months. For year ended 31 December 2024, the average effective borrowing rate was 2,98% (2023: 4,22%). Interest rates are fixed at the contract date, and thus expose the Group to fair value interest rate risk. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. The total interest lease expense for the year is EURO72.507 (2023: EURO144.851) (Note 11).

23. Trade and other payables

	2024	**2023**
	EURO	**EURO**
Trade payables - clients	**9.397.996**	11.200.842
Social insurance and other taxes	**1.735.117**	1.760.212
VAT payables	**63.341**	178.162
Director's current account - credit balance (Note 27.10)	**20.320**	-
Payables to parent (Note 27.7)	**14.746.368**	9.932.324
Accruals (Note 27.6)	**553.338**	291.862
Other payables	**4.019.683**	4.322.746
Deferred income	**24.688**	2
Payables related parties (Note 27.8)	**187.917**	786.570
	30.748.768	28.472.720

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

24. Refundable taxes

	2024	**2023**
	EURO	**EURO**
Refundable taxes	**(536.916)**	**(524.249)**

25. Payable to parent (Note 23 and 27.7)

	2024	**2023**
	EURO	**EURO**
Balance at 1 January	**9.932.324**	-
Dividends for the year	**-**	13.000.000
Reduction to share premium	**10.000.000**	18.070.000
Payments	**(5.185.957)**	(21.137.676)
Balance at 31 December	**14.746.368**	9.932.324

26. Operating Environment of the Group

On 24 February 2022, Russia launched a military operation in Ukraine. Many governments are taking increasingly stringent measures against Russia and Belarus. These measures have already slowed down the economies both in Cyprus but globally as well with the potential of having wider impacts on the respective economies as the measures persist for a greater period of time. The conflict may have serious consequences on the Cyprus economy and also worldwide, which are difficult to precisely estimate. The main concern at the moment is the rise of inflation, the uncertainty mainly about tourism and financial services and the increase in the price of fuel, which will affect household incomes and business operating costs.

The Israel-Gaza conflict has escalated significantly after Hamas launched a major attack on 7 October 2023. Companies with material subsidiaries, operations, investments, contractual arrangements or joint ventures in the War area might be significantly exposed. Entities that do not have direct exposure to Israel and Gaza Strip are likely to be affected by the overall economic uncertainty and negative impacts on the global economy and major financial markets arising from the war. This is a volatile period and situation, however, the Company is not directly exposed. Management will continue to monitor the situation closely and take appropriate actions when and if needed.

The Company's management believes that it is taking all the necessary measures to maintain the viability of the Company and the development of its business in the current business and economic environment.

Management will continue to monitor the situation closely and will assess the need for further actions in case the period of disruption becomes prolonged.

27. Related party transactions

The Company is controlled by Tech Mahindra London Limited, incorporated in United Kingdom, which owns 100% of the Company's shares and ultimatelly controlled by Tech Mahindra Limited India, a listed company.

The following transactions were carried out with related parties:

27.1 Directors' remuneration

The remuneration of Directors and other members of key management was as follows:

	2024	2023
	EURO	EURO
Directors' remuneration	**252.823**	283.228

27.2 Revenue from IT services from related companies

	2024	2023
	EURO	EURO
SWFT Technologies Limited	**977.952**	3.355.975
Surance Ltd	**-**	277.959
Tech Mahindra Limited (India)	**9.943.392**	2.597.376
	10.921.344	6.231.310

27.3 Cost of sales from related parties

	2024	2023
	EURO	EURO
Tech Mahindra Limited (India)	**2.526.146**	1.205.759

27.4 Accrued income (Note 17)

	2024	2023
	EURO	EURO
Tech Mahindra Limited (India)	**1.113.704**	416.545
SWFT Technologies Limited	**51.545**	-
	1.165.249	416.545

27.5 Receivables from related parties (Note 17)

	2024	2023
	EURO	EURO
SWFT Technologies Limited	**-**	17.026
Tech Mahindra Limited (India)	**5.756.145**	1.205.145
	5.756.145	1.222.171

27.6 Accrued expenses (Note 23)

	2024	2023
	EURO	EURO
Tech Mahindra Limited (India)	**241.715**	396.099

27.7 Payable to parent (Note 23)

	2024	2023
	EURO	EURO
Tech Mahindra London Limited	**14.746.368**	9.932.324

27.8 Payables to related parties (Note 23)

	2024	2023
	EURO	EURO
Tech Mahindra Limited (India)	**187.917**	786.570

27.9 Director’s current account - debit balance (Note 17)

	2024	2023
	EURO	EURO
Avraham Shaked	**-**	1.832

The Director’s current account is interest free and has no specified repayment date.

27.10 Director’s current account - credit balance (Note 23)

	2024	2023
	EURO	EURO
Avraham Shaked	**20.320**	-

The Directors’ current accounts are interest free and have no specified repayment date.

28. Contingent liabilities

The Group had no contingent liabilities as at 31 December 2024.

29. Commitments

The Group had no capital or other commitments as at 31 December 2024.

30. Events after the reporting period

As explained in note 26 the geopolitical situation in Eastern Europe and the Middle East remains intense with the continuation of the conflict between Russia and Ukraine and the Israel-Gaza conflict. As at the date of authorising these consolidated financial statements for issue, the conflicts continue to evolve as military activity proceeds and additional sanctions are imposed.

Depending on the duration of the conflict between Russia and Ukraine, the Israel-Gaza conflict and continued negative impact on economic activity, the Group might experience negative results, and liquidity restraints and incur impairments on its assets in 2025 which relate to new developments that occurred after the reporting period.

TECH MAHINDRA SOUTH AFRICA (PTY) LIMITED

Board of Directors
Ramachandran Satyamurthi Ramachandran (Up to 5th June 2025)
Palle Krishna Kumari
Ayan Chatterjee
Muhammed Abid Mirza (From 5th June 2025)
Nazeer Zynul Cassim
Millicent Mashakwane Maroga

Registered Office
10th Floor, Sandton City office Tower
Corner of Rivonia and 5th Streets
Sandton 2196, Johannesburg
South Africa

Bankers
The Hongkong and Shanghai Banking Corporation

Auditors
Morar Incorporated

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	The company is engaged in providing information technology services and solutions.
Directors	Ramachandran Satyamurthi Ramachandran (Up to 5th June 2025) Palle Krishna Kumari Ayan Chatterjee Muhammed Abid Mirza (From 5th June 2025) Nazeer Zynul Cassim Millicent Mashakwane Maroga
Registered office	10th Floor Sandton City Tower Cnr Rivonia & 5th Street Sandton, Johannesburg Gauteng 2196
Postal address	10th Floor Sandton City Tower Cnr Rivonia & 5th Street Sandton, Johannesburg Gauteng 2196
Holding company	Tech Mahindra Holdco Proprietary Limited incorporated in South Africa
Ultimate holding company	Tech Mahindra Limited incorporated in Mumbai, India
Bankers	The Hongkong and Shanghai Banking Corporation
Auditors	Morar incorporated Chartered Accountants (SA) Registered Auditors
Company registration number	2008/005138/07
Tax reference number	9548013169
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act No. 71 of 2008 of South Africa.
Preparer	The annual financial statements were internally compiled by: Anup Tiwari, Finance APAC

TECH MAHINDRA SOUTH AFRICA (PTY) LIMITED

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Tech Mahindra South Africa Proprietary Limited for the year ended 31 March 2025.

1. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act No. 71 of 2008 of South Africa. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

2. Auditors

Morar incorporated continued in office as auditors for the company for 2025.

3. Share capital

There have been no changes to the authorised or issued share capital during the year under review.

4. Directors

The directors in office at the date of this report are as follows:

Ramachandran Satyamurthi Ramachandran (Up to 5th June 2025)

Palle Krishna Kumari

Ayan Chatterjee

Muhammed Abid Mirza (From 5th June 2025)

Nazeer Zynul Cassim

Millicent Mashakwane Maroga

5. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

6. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required by the Companies Act No. 71 of 2008 of South Africa, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 March 2026 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented in the following pages.

The annual financial statements have been prepared on the going concern basis, were approved by the directors on and were signed on their behalf by:

Krishna Kumari Palle

Ayan Chatterjee

Nazeer Zynul Cassim

Milicent Mashakwane Maroga

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Tech Mahindra South Africa Proprietary Limited

Opinion

We have audited the annual financial statements of Tech Mahindra South Africa Proprietary Limited (the company) set out on pages 568 to 581, which comprise the statement of financial position as at 31 March 2025; and the statement of profit or loss and other comprehensive income; the statement of changes in equity; and the statement of cash flows for the year then ended; and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Tech Mahindra South Africa Proprietary Limited as at 31 March 2025, and its financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act No. 71 of 2008 of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Tech Mahindra South Africa Proprietary Limited annual financial statements for the year ended 31 March 2025", which includes the Directors' Report as required by the Companies Act No. 71 of 2008 of South Africa and the supplementary information as set out on page 582. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we 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.

Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act No. 71 of 2008 of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the annual 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 International

Standards on Auditing 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 annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual 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 directors.

- Conclude on the appropriateness of the directors' 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 annual 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 annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Jennifer Reddy
Chief Executive Officer
Morar Incorporated
Chartered Accountants (SA)
Registered Auditors

Date: 24-06-2025
Pietermaritzburg

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

Figures in Rand	Notes	2025	2024
Assets			
Non-Current Assets			
Property, plant and equipment	2	**1 687 003**	4 679 950
Rights-of-use Assets	3	**9 548 825**	11 835 931
Loans to shareholders	4	**15 757 410**	22 374 094
Deferred tax	5	**21 967 400**	25 593 879
		48 960 638	64 483 854
Current Assets			
Trade and other receivables	6	**214 444 019**	133 791 171
Current tax receivable	7	**2 208 780**	1 835 390
Cash and cash equivalents	8	**109 159 646**	177 762 294
Unbilled revenue	9	**127 391 216**	138 098 665
		453 203 661	451 487 520
Total Assets		**502 164 299**	515 971 374
Equity and Liabilities			
Equity			
Share capital	10	**100**	100
Retained income		**96 369 392**	87 553 256
		96 369 492	87 553 356
Liabilities			
Non-Current Liabilities			
Lease liabilities	11	**2 515 028**	6 842 348
Current Liabilities			
Trade and other payables	12	**296 312 534**	320 138 486
Lease liabilities	11	**7 524 135**	5 380 788
Provisions	13	**98 545 288**	96 056 396
Unearned revenue	14	**897 822**	-
		403 279 779	421 575 670
Total Liabilities		**405 794 807**	428 418 018
Total Equity and Liabilities		**502 164 299**	515 971 374

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in Rand	Notes	2025	2024
Revenue	15	**483 026 251**	441 749 889
Cost of sales		**(418 748 306)**	(431 470 577)
Gross profit		**64 277 945**	10 279 312
Other income	16	**8 273 975**	22 125
Operating expenses		**(63 638 074)**	(43 741 565)
Operating profit (loss)		**8 913 846**	(33 440 128)
Investment revenue	17	**5 926 132**	3 240 700
Finance costs	18	**(793 222)**	(938 364)
Profit (loss) before taxation		**14 046 756**	(31 137 792)
Taxation	19	**(5 230 620)**	8 352 939
Profit (loss) for the year		**8 816 136**	(22 784 853)
Other comprehensive income		**-**	-
Total comprehensive income (loss) for the year		**8 816 136**	(22 784 853)

STATEMENT OF CHANGES IN EQUITY

Figures in Rand	Share capital	Retained income	Total equity
Balance at 01 April 2023	**100**	**110 338 109**	**110 338 209**
Loss for the year	-	(22 784 853)	(22 784 853)
Other comprehensive income	-	**-**	-
Total comprehensive loss for the year	-	**(22 784 853)**	**(22 784 853)**
Balance at 01 April 2024	**100**	**87 553 256**	**87 553 356**
Profit for the year	-	8 816 136	8 816 136
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	**8 816 136**	8 816 136
Balance at 31 March 2025	**100**	**96 369 392**	**96 369 492**
Notes	10		

STATEMENT OF CASH FLOWS

Figures in Rand	Notes	2025	2024
Cash flows from operating activities			
Cash receipts from customers		**402 533 027**	459 425 209
Cash paid to suppliers and employees		**(494 257 313)**	(364 965 729)
Cash (used in) generated from operations	20	**(91 724 286)**	94 459 480
Interest income		**5 926 132**	3 240 700
Finance costs		**(793 222)**	(938 364)
Tax paid	21	**(1 977 531)**	(317 385)
Net cash from operating activities		**(88 568 907)**	96 444 431
Cash flows from investing activities			
Purchase of property, plant and equipment	2	**(758 850)**	-
Movement in loans to shareholders		**6 616 684**	(22 374 094)
Movement of other financial assets		**(5 714 330)**	-
Movements in finance lease receivables		**2 287 106**	(11 835 931)
Movement of other assets		**10 707 449**	68 844
Movement in unbilled revenue		**-**	17 839 771
Net cash from investing activities		**13 138 059**	(20 853 691)
Cash flows from financing activities			
Repayments of other financial liabilities		**8 114 351**	-
Movement in finance lease liabilities		**(2 183 973)**	-
Movement of other liabilities		**897 822**	(29 931 226)
Net cash from financing activities		**6 828 200**	(29 931 226)
Total cash movement for the year		**(68 602 648)**	45 659 514
Cash and cash equivalents at the beginning of the year		**177 762 294**	132 102 780
Total cash at end of the year	8	**109 159 646**	177 762 294

ACCOUNTING POLICIES

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act No. 71 of 2008 of South Africa. The annual financial statements have been prepared on the historical cost basis, except for biological assets at fair value less point of sale costs, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

The useful lives of items of property, plant and equipment have been assessed as follows:

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.2 Financial instruments
Initial measurement

A financial instrument is a contract that gives rise to a financial asset of one entity and financial liability instrument of another entity.

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The effective interest rate method is a method of calculation the amortised cost of a financial asset or a financial liability (or a group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or when appropriate, a shorter period, to the carrying amount of the financial asset or financial liability.

Impairment of financial assets

The company assess at the end of each reporting date whether there is any indication that an asset may be impaired. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the finance asset, the estimated future cash flows of the investment have been affected.

Trade and other receivables

Trade receivables are stated at original invoice amount net of allowance for doubtful debts. An allowance against doubtful debts is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents include cash and bank balances and short term deposits with original maturities of three months or less.

Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods/services when risks and rewards attributable to goods are transferred to the company or services are received, whether or not billed to the company.

1.3 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

When management assess the extent to which is it probable that taxable profit will be available against which potential deferred tax assets can be utilised, they take into consideration that the utilisation of assessed losses are limited to the greater of 80% of the taxable income or R1 million in the year of assessment.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.4 Leases

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or

- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

Identification of a lease

At inception of a contract, it is assessed to determine whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. If the terms and conditions of a contract are changed, it is reassessed to once again determine if the contract is still or now contains a lease.

Where a contract contains a lease, each lease component with the contract is accounted for separately from the non-lease components. The consideration is then allocated 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 relative stand-alone price of lease and non-lease components are determined on the basis of the price the lessor, or a similar supplier, would charge an entity for that component, or a similar component, separately. If an observable stand-alone price is not readily available, an estimate of the stand-alone price is made, maximising the use of observable information in each case. All non-lease components are accounted for in accordance with whatever other policy is applicable to them.

Lease term

The lease term of a lease is determined as the non-cancellable period of the lease, together with the periods covered by an option to extend the lease where there is reassonable certainty that the option will be exercised, and periods covered by an option to terminate the lease if there is reasonable certainty that the option will not be exercised.

1.5 Provisions and contingencies

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

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

Provisions are not recognised for future operating losses.

1.6 Revenue

Interest is recognised, in profit or loss, using the effective interest rate method.

1.7 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

2. Property, plant and equipment

	2025			2024		
	Cost or revaluation	**Accumulated depreciation and impairment**	**Carrying value**	**Cost or revaluation**	**Accumulated depreciation and impairment**	**Carrying value**
Office equipment	227 700	(37 950)	189 750	-	-	-
IT equipment	11 833 278	(10 336 025)	1 497 253	11 302 128	(6 622 178)	4 679 950
Total	**12 060 978**	**(10 373 975)**	**1 687 003**	**11 302 128**	**(6 622 178)**	**4 679 950**

Reconciliation of property, plant and equipment - 2025

	Opening balance	**Additions**	**Depreciation**	**Closing balance**
Office equipment	-	227 700	(37 950)	189 750
IT equipment	4 679 950	531 150	(3 713 847)	1 497 253
	4 679 950	**758 850**	**(3 751 797)**	**1 687 003**

Reconciliation of property, plant and equipment - 2024

	Opening balance	**Depreciation**	**Closing balance**
IT equipment	8 352 290	(3 672 340)	4 679 950

3. Rights-of-use Assets

Movements for the year ended 31 March 2025

- Additions	19 935 524	16 388 212
- Depreciation	(10 386 699)	(4 552 281)
Carrying amount	**9 548 825**	**11 835 931**

4. Loans to (from) shareholders

Cabanga Tech (Pty) Ltd	15 757 410	22 374 094

The above loan is secured over the shares of the entity (33% shareholding), bears interest at 8,25% per annum and has no fixed repayment terms.

5. Deferred tax

The major components of the deferred tax balance are as follows:

	2025	**2024**
Deferred tax asset		
Arising as a result of temporary differences on:		
Leave provision	400 795	1 056 515
Advance billing - unearned revenue	**242 412**	327 705
Provision for doubtful debts	**10 753 788**	7 183 209
Right of use and lease liabilities	**(39 480)**	-

	2025	2024
Deferred tax balance from temporary differences other than unused tax losses	**11 357 515**	8 567 429
Tax losses available for set off against future taxable income	**10 609 885**	17 026 450
Total deferred tax asset	**21 967 400**	25 593 879
Reconciliation of deferred tax asset		
At beginning of year		
Recognised in profit or loss:	**25 593 879**	17 240 940
Increases in tax loss available for set off against future taxable income	**(7 775 600)**	17 026 450
Movement in temporary differences on leave provision	**128 143**	(79 614)
Movement in temporary differences on advanced billing	**242 412**	(8 848 027)
Movement in temporary differences on provisions for doubtful debts	**3 818 046**	254 130
Movement in temporary differences on lease liabilities and right of use assets	**(39 480)**	-
At end of year	**21 967 400**	25 593 879

6. Trade and other receivables

Trade receivables	**255 437 235**	167 418 501
Provision for doubtful debts	**(53 105 126)**	(34 250 576)
Prepayments	**4 299 345**	115 828
Deposits	**763 000**	241 000
Rounding adjustment	**-**	510
Staff advance for travelling	**(161 427)**	18 174
Advances and recoveries	**7 161 218**	170 237
Interest accrued	**49 774**	77 497
	214 444 019	133 791 171

7. Current tax receivable (payable)

Normal tax	**2 208 780**	1 835 390

8. Cash and cash equivalents

Cash and cash equivalents consist of:	**18 003 709**	105 329 226
Bank balances	**91 155 937**	72 433 068
Deposits	**109 159 646**	177 762 294

9. Unbilled revenue

Unbilled revenue	**127 391 216**	138 098 665

10. Share capital

Issued		
Ordinary shares	**100**	100

11. Lease liabilities

Minimum lease payments which fall due		
- within one year	**7 524 135**	5 380 789
- in second to fifth year inclusive	**3 053 863**	7 914 353
	10 577 998	13 295 142
Less: future finance charges	**(538 835)**	(1 072 006)
Present value of minimum lease payments	**10 039 163**	12 223 136
Net finance lease liabilities		
Non-current liabilities	**2 515 028**	6 842 348
Current liabilities	**7 524 135**	5 380 788
	10 039 163	12 223 136

The lease liabilities are secured by the underlying assets. The company does not enter into any sale and leaseback transactions. All leases are negotiated on an individual basis and contain a wide variety of different terms and conditions.

The company has deviated fro Section 20 regarding leases in the IFRS for SME's framework, however, this deviation was adopted for enhanced reporting purposes with regards to leases for property. The exact impact has been outlined in note 28.

12. Trade and other payables

Trade payables	**248 101 979**	244 685 508
Amounts received in advanced	**-**	87 062
Salaries payable	**2 408 136**	1 300 561
VAT	**2 073 955**	6 818 720
Other payables	**43 728 464**	67 246 635
	296 312 534	320 138 486

13. Provisions

Reconciliation of provisions - 2025

	Opening balance	Additions	Closing balance
Leave provision	1 009 823	474 680	1 484 503
Miscellaneous expenses	95 046 573	2 014 212	97 060 785
	96 056 396	2 488 892	98 545 288

Reconciliation of provisions - 2024

	Opening balance	Utilised during the year	Closing balance
Leave provision	1 304 692	(294 869)	1 009 823
Miscellaneous expenses	72 822 343	22 224 230	95 046 573
	74 127 035	21 929 361	96 056 396

14. Unearned revenue

Unbilled revenue	**897 822**	-

15. Revenue

Rendering of services	**483 026 251**	441 749 889

16. Other income

Fair value gains	**8 114 351**	-
Rental income	**159 624**	-
Recoveries	**-**	22 125
	8 273 975	22 125

17. Investment revenue

Interest revenue		
Bank	**5 926 132**	3 240 700

18. Finance costs

Interest paid	**793 222**	938 364

19. Taxation

Major components of the tax expense (income)		
Current taxation		
South African normal tax - year	**1 604 141**	-
Deferred taxation		
South African deferred tax - current year	**3 626 479**	(8 352 939)
	5 230 620	(8 352 939)
Reconciliation of the tax expense		
Accounting profit (loss)	**14 046 756**	(31 137 792)
Tax at the applicable tax rate of 27% (2024: 27%)	**3 792 624**	(8 407 204)
Non-deductible expenses		
Donations	**-**	54 265
	-	54 265
Other		
Movement in other deferred tax	**4 228 082**	-
Movement in assessed loss	**(6 416 565)**	-
	(2 188 483)	-
	1 604 141	(8 352 939)

The estimated tax loss available for set off against future taxable income is R 39 295 870 (2024: R 63 060 925).

20. Cash (used in) generated from operations

Net profit (loss) before taxation		
Adjustments for:	**14 046 756**	(31 137 792)
Depreciation, amortisation, impairments and reversals of impairments	**9 466 127**	281 841
Fair value (gains) losses	**(8 114 351)**	-
Movement in provisions	**2 488 892**	21 929 361
(Increase) decrease in operating lease liabilities	**-**	12 223 136
Investment income	**(5 926 132)**	(3 240 700)

Finance costs	**793 222**	938 364
Changes in working capital:		
(Increase) decrease in trade and other receivables	**(80 652 848)**	24 967 777
Increase (decrease) in trade and other payables	**(23 825 952)**	68 497 493
	(91 724 286)	94 459 480

21. Tax paid

Balance at beginning of the year	**1 835 390**	1 518 005
Current tax for the year recognised in profit or loss	**(1 604 141)**	-
Balance at end of the year	**(2 208 780)**	(1 835 390)
	(1 977 531)	(317 385)

22. Related parties

Relationships	Tech Mahindra Limited
Ultimate holding company	Tech Mahindra Holdco Proprietary Limited
Holding company	Cabanga Tech (Pty) Ltd
Shareholder	Ayan Chatterjee
Directors	Ramchandran Ramchandran Satyamurthi
	Krishna Kumari Palle
	Nazeer Zynul Cassim
	Millicent Mashakwane Maroga

Related party balances and transactions with other related parties

Related party balances

Loan accounts - Owing (to) by related parties		
Cabanga Tech (Proprietary) Limited	15 757 410	22 374 094
Amounts included in trade payables regarding related parties		
Tech Mahindra Limited	(246 117 065)	(237 401 748)
Amounts included in trade receivables regarding related parties		
Tech Mahindra Limited	8 512 894	3 996 325
Tech Mahindra (Nigeria) Limited	16 993 290	4 957 015

23. Directors' and prescribed officer's remuneration

2025

	Basic salary	**Total**
Directors' emoluments		
Services as director or prescribed officer		
Nazeer Zynul Cassim	480 000	480 000
Millicent Mashakwane Maroga	480 000	480 000
	960 000	**960 000**

2024

	Basic salary	Total
Directors' emoluments		
Services as director or prescribed officer		
Nazeer Zynul Cassim	200 000	200 000
Millicent Mashakwane Maroga	200 000	200 000
	400 000	**400 000**

24. Comparative figures

Certain comparative figures have been reclassified.

25. Operating leases

The company has taken premise on operating lease. The expense on such lease rentals recognised in the Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 March 2025 is R5 887 727 (31 March 2024: R2 024 840).

26. Subsequent events

No adjusting or significant non adjusting events have occurred between the reporting date and the date of authorisation.

27. Deviation from the International Financial Reporting Standards for Small and Medium-sized Entities to property leases

The entity has deviated from International Financial Reporting Standards for Small and Medium sized Entities (IFRS for SME's) when accounting for the lease on property.

The entity has fully accounted for the property lease in accordance with IFRS 16 Leases which recognises right-of-use assets and lease liabilities on the statement of financial position. Interest expense and depreciation has been charged to the statement of Comprehensive Income. The company has not recognised the lease in accordance with IFRS for SME's Section 20 - Leases.

The reason for the deviation is that the entity believes IFRS 16 provides a fair representation and allows for more stringent reporting requirements.

The effect on the financial statements are as follows:

28. Deviation from the International Financial Reporting Standards for Small and Medium-sized Entities to property leases (continued)

Non-current assets		
Right-of-use assets	9 548 825	11 835 931
Non-current liabilities		
Lease liability	2 515 028	6 842 348
Current liabilities		
Lease liability	7 524 135	5 380 788
Statement of Profit or Loss and Other Comprehensive Income		
Depreciation	5 714 330	4 552 201
Finance costs	793 222	938 364
	6 507 552	**5 490 565**

DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in Rand	Notes	2025	2024
Revenue			
Rendering of services	15	**483 026 251**	441 749 889
Cost of sales			
Purchases		**(418 748 306**	(431 470 577)
Gross profit		**64 277 945**	10 279 312
Other income			
Rental income	16	**159 624**	-
Recoveries	16	**-**	22 125
Fair value gains	16	**8 114 351**	-
		8 273 975	22 125
Expenses (Refer to page 582)		**(63 638 074)**	(43 741 565)
Operating profit (loss)		**8 913 846**	(33 440 128)
Investment income	17	**5 926 132**	3 240 700
Finance costs	18	**(793 222)**	(938 364)
		5 132 910	2 302 336
Profit (loss) before taxation		**14 046 756**	(31 137 792)
Taxation	19	**(5 230 620)**	8 352 939
Profit (loss) for the year		**8 816 136**	(22 784 853)

DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	2025	2024
Operating expenses			
Auditors remuneration		**(216 770)**	(204 500)
Bad debts		**-**	(327 977)
Bank charges		**(537 874)**	(218 428)
Cleaning		**(325 894)**	(278 250)
Commission paid		**(24 555)**	(4 423)
Consulting and professional fees		**(12 661 585)**	(1 182 892)
Consumables		**(70 300)**	-
Delivery expenses		**-**	(28 087)
Depreciation on right of use asset		**(5 714 330)**	(4 552 281)
Donations		**-**	(200 983)
Entertainment		**(38 390)**	(5 215)
Recruitment expense		**(447 027)**	-
Fair value losses		**-**	(11 475 465)
General expenses		**(3 892 687)**	(1 600 394)
Gifts		**-**	(2 711)
Insurance		**(6 041 963)**	(7 029 318)
Lease rentals on operating lease		**(5 887 727)**	(2 024 840)
Legal expenses		**(706 377)**	(1 813 631)
Printing and stationery		**-**	(461 093)
Provision for doubtful debt		**(18 854 551)**	(2 654 100)
ROU Residential expense		**(120 088)**	-
Repairs and maintenance		**(315 472)**	(202 926)
Security		**(246 743)**	-
Staff welfare		**(66 224)**	(179 216)
Subscriptions		**(72 900)**	-
Telephone and fax		**(167 877)**	(104 893)
Training		**(10 797)**	(4 144 500)
Transport and freight		**(453 810)**	-
Travel - local		**(4 962 952)**	(3 615 070)
Travel - overseas		**(1 801 181)**	(645 883)
Utilities		**-**	(784 489)
		(63 638 074)	(43 741 565)

VCUSTOMER PHILIPPINES, INC.

Board of Directors
Mr. Anand Achuthan
Mr. Vishwajit Singh Negi (From 16th August 2024)
Ms. Lynette De Guzman
Ms. Jeane R.T Montes
Ms. Ricci Katherine Padre
Mr. Sohit Brahmawar (Up to 16th August 2024)

Registered Office
3rd Floor eCommerce Plaza
Eastwood City Cyberpark
Bagumbayan, Quezon City
Philippines 1110

Bankers
Union Bank of the Philippines

Auditors
R.G. MANABAT & CO.

DIRECTORS' REPORT

Your Directors present their Report together with the audited accounts of vCustomer Philippines, Inc. and Subsidiaries (vCPI) for the year ended March 31, 2025.

Financial Results (PHP):

For the years ended	March 31, 2025	March 31, 2024
Revenue	4,843,930,858	3,236,035,628
Profit	36,9984,454	285,925,568

Review of Operations:

For the fiscal year ended March 31, 2025, vCustomer Philippines, Inc. and Subsidiaries (vCPI) reported revenue of PHP 4,843,930,858, reflecting an increase of PHP 1,607,895,230 compared to the previous fiscal year ended March 31, 2024. The profit for the fiscal year amounted to PHP 369,984,454, representing a 29% increase over the prior year's profit of PHP 286,809,654. Certain projects of vCPI remain entitled to an Income Tax Holiday (ITH).

Future Plans and Appropriations:

vCustomer Philippines, Inc. and Subsidiaries (vCPI) made a reversal of the Appropriated Retained Earnings of PHP **1,595.32** million intended for the expansion projects due to the completion of the said projects. Additional appropriation of PHP **1,412.74** million from its current retained earnings as at March 31, 2025 to be used by the Company for its expansion projects, office renovation and equipment upgrade in the year 2025 until 2026. Furthermore, PHP 552 million was appropriated for dividend declaration. vCPI anticipates the engagement of additional accounts/clients and an increase in employee headcount. and PHP 552 million for Appropriation for dividend declaration. vCPI is expecting engagement of additional account/clients and increase in employee headcount.

Acknowledgements:

Your Directors gratefully acknowledge the contributions made by the employees towards the success of the Company. Your Directors also thank the customers, suppliers, bankers, Government Authorities and the shareholder/s for the co-operation and assistance received from them.

Anand Achuthan
President

Lynette De Guzman
Director/Chief Finance Officer

Date: 23rd May 2025

REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Stockholders

vCustomer Philippines, Inc. and Subsidiaries

3rd Floor, eCommerce Plaza, Eastwood Cyberpark

Quezon City, Philippines

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of vCustomer Philippines, Inc. and its subsidiaries (the "Group"), which comprise the consolidated statements of financial position as at March 31, 2025 and 2024, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes, including material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with Philippine Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the Auditors' *Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, 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.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's consolidated financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 PSA 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audits. We remain solely responsible for our audit opinion.

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.

R.G. MANABAT & CO.

GREGORIO I. SAMBRANO, JR.
Partner
CPA License No. 088825
SEC Accreditation No. 88825-SEC, Group A, valid for five (5) years
covering the audit of 2021 to 2025 financial statements
Tax Identification No. 152-885-329
BIR Accreditation No. 08-001987-036-2024
Issued March 26, 2024; valid until March 26, 2027
PTR No. MKT 10467152
Issued January 2, 2025 at Makati City
May 31, 2025
Makati City, Metro Manila

SUPPLEMENTAL WRITTEN STATEMENT OF AUDITOR

The Board of Directors and Stockholders

vCustomer Philippines, Inc. and Subsidiaries

3rd Floor, eCommerce Plaza, Eastwood Cyberpark

Quezon City, Philippines

We have audited the accompanying consolidated financial statements of vCustomer Philippines, Inc. and Subsidiaries (the "Group") as at and for the year ended March 31, 2025, on which we have rendered our report dated May 31, 2025.

In compliance with Revised Securities Regulation Code Rule 68, we are stating that the said Group has one (1) stockholder owning more than one hundred (100) shares each.

R.G. MANABAT & CO.

GREGORIO I. SAMBRANO, JR.
Partner
CPA License No. 088825
SEC Accreditation No. 88825-SEC, Group A, valid for five (5) years
covering the audit of 2021 to 2025 financial statements
Tax Identification No. 152-885-329
BIR Accreditation No. 08-001987-036-2024
Issued March 26, 2024; valid until March 26, 2027
PTR No. MKT 10467152
Issued January 2, 2025 at Makati City
May 31, 2025
Makati City, Metro Manila

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	March 31, 2025	March 31, 2024
ASSETS			
Current Assets			
Cash and cash equivalents	6, 20, 21	**P895,040,017**	P811,412,441
Trade and other receivables	7, 13, 20	**1,392,664,557**	1,029,891,745
Prepaid expenses and other current assets	8	**38,295,194**	18,716,587
Total Current Assets		**2,325,999,768**	1,860,020,773
Noncurrent Assets			
Property and equipment - net	9	**224,567,696**	240,195,328
Right-of-use assets - net	17	**866,222,794**	795,579,691
Intangible assets - net	10	**93,350,544**	96,038,885
Refundable deposits - net of current portion	11, 20, 21	**82,782,854**	85,783,665
Deferred tax asset		**-**	250,715
Total Noncurrent Assets		**1,266,923,888**	1,217,848,284
		P3,592,923,656	P3,077,869,057
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables	12, 20, 21	**P341,251,921**	P349,791,653
Lease liabilities - current portion	17, 20, 21	**203,314,784**	160,935,642
Income tax payable		**17,095,597**	10,232,322
Total Current Liabilities		**P561,662,302**	520,959,617
Noncurrent Liabilities			
Lease liabilities - net of current portion	17, 20, 21	**726,860,504**	685,869,293
Deferred tax liability		**60,197**	-
Other noncurrent liabilities	18	**176,427,623**	151,853,540
Total Noncurrent Liabilities		**903,348,324**	837,722,833
Total Liabilities	23	**1,465,010,626**	1,358,682,450
Equity			
Capital stock	14	**9,500,000**	9,500,000
Additional paid-in capital		**156,044**	156,044
Retained earnings		**1,974,296,502**	1,604,533,211
Cumulative remeasurement gain on retirement benefits	18	**143,960,484**	104,997,352
Total Equity	22	**2,127,913,030**	1,719,186,607
		P3,592,923,656	P3,077,869,057

See Notes to the Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Notes	March 31, 2025	March 31, 2024
SERVICE REVENUE		**P4,843,930,858**	P3,236,035,628
COST OF SERVICES	15	**3,462,705,076**	2,247,504,037
GROSS INCOME		**1,381,225,782**	988,531,591
OPERATING EXPENSES	16	**876,306,977**	652,098,532
INCOME FROM OPERATIONS		**504,918,805**	336,433,059
OTHER INCOME (CHARGES)			
Interest expense	17	**(64,149,971)**	(44,977,443)
Foreign exchange gain (loss)		**(23,285,177)**	17,133,344
Interest income	6	**6,564,772**	2,597,284
Gain on sale of fixed asset		**-**	1,297,771
Others		**3,992,002**	(98,671)
		(76,878,374)	(24,047,715)
INCOME BEFORE INCOME TAX		**428,040,431**	312,385,344
PROVISION FOR INCOME TAXES	19	**58,055,977**	26,459,776
NET INCOME		**369,984,454**	285,925,568
OTHER COMPREHENSIVE INCOME			
Item that will not be reclassified subsequently to profit or loss			
Remeasurement gain on retirement benefits	18	**38,963,132**	2,476,199
TOTAL COMPREHENSIVE INCOME		**P408,947,586**	P288,401,767

See Notes to the Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Notes	Years Ended March 31, 2025	Years Ended March 31, 2024
CAPITAL STOCK	14	**P9,500,000**	P9,500,000
ADDITIONAL PAID-IN CAPITAL	14	**156,044**	156,044
RETAINED EARNINGS			
Appropriated:			
Balance at beginning of year		**1,595,324,274**	1,315,000,000
Appropriation for business expansion	14	**1,412,746,804**	1,595,324,274
Appropriation for dividend declaration	14	**552,800,000**	-
Reversal of appropriation	14	**(1,595,324,274)**	(1,315,000,000)
Balance at end of year		**1,965,546,804**	1,595,324,274
Unappropriated:			
Balance at beginning of year		**9,208,937**	3,607,643
Impact of business acquisition	1	**(221,163)**	-
Adjusted beginning balance		**8,987,774**	-
Net income during the year		**369,984,454**	285,925,568
Reversal of appropriation		**1,595,324,274**	1,315,000,000
Appropriation for business expansion	14	**(1,412,746,804)**	(1,595,324,274)
Appropriation for dividend declaration	14	**(552,800,000)**	-
Balance at end of year		**8,749,698**	9,208,937
		1,974,296,502	1,604,533,211
CUMULATIVE REMEASUREMENT GAIN ON RETIREMENT BENEFITS			
Item that will not be reclassified subsequently to profit or loss			
Balance at beginning of year		**104,997,352**	102,521,153
Remeasurement gain during the year	18	**38,963,132**	2,476,199
Balance at end of year	22	**143,960,484**	104,997,352
	22	**2,127,913,030**	P1,719,186,607

See Notes to the Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Years Ended March 31,2025	Years Ended March 31,2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax		**P427,393,945**	P312,385,344
Adjustments for:			
Depreciation and amortization	9, 10, 15, 16, 17	**436,065,650**	366,211,489
Interest expense	17	**64,149,964**	44,977,443
Retirement benefit cost and accrued compensated leave credits	18	**62,327,928**	58,083,837
Interest income	6	**(6,564,772)**	(2,597,284)
Unrealized foreign exchange losses		**8,089,782**	2,393,279
Others		**-**	(1,297,771)
Operating profit before working capital changes		**991,462,501**	780,156,337
Changes in operating assets and liabilities:			
Decrease (increase) in:			
Trade and other receivables		**(364,769,137)**	(529,244,346)
Prepaid expenses and other current assets		**(16,643,937)**	25,399
Refundable deposits		**66,090**	(2,329,458)
Increase in trade and other payables		**(4,749,661)**	(92,055,786)
Cash generated from operations		**605,365,856**	156,552,146
Income taxes paid		**(50,941,988)**	(38,682,483)
Interest received	6	**6,564,772**	2,597,284
Compensated leave credits paid	18	**(3,435,900)**	(18,569,600)
Net cash generated from operating activities		**557,552,740**	101,897,347
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property and equipment	9	**(174,326,585)**	(78,439,581)
Investment in subsidiary		**(221,163)**	62,691,673
Acquisition of intangible asset	10	**(250,000)**	(954,639)
Proceeds from disposal of properties and equipment		**-**	515,000
Net cash used in investing activities		**(174,797,748)**	(16,187,547)
CASH FLOW FROM A FINANCING ACTIVITY			
Repayments of lease liabilities		**(294,595,805)**	(199,643,786)
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**(4,531,611)**	(1,601,883)
NET INCREASE IN CASH AND CASH EQUIVALENTS		**83,627,576**	(115,535,869)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**811,412,441**	926,948,310
CASH AND CASH EQUIVALENTS AT END OF YEAR	6	**P895,040,017**	P811,412,441

See Notes to the Consolidated Financial Statements.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

1. Reporting Entity

vCustomer Philippines, Inc. (the "Parent Company") was registered with the Securities and Exchange Commission (SEC) on February 24, 2010. The primary purpose of the Parent Company is to carry on the business of providing services to customers in any part of the world through any and all medium of communication including internet and telephone including management services, solutions to business problems, web designing, customer relations, development/ production of software and software systems, data warehousing, data mining, processing and analysis of software and software systems, consultancy and advisory services in software and software systems, without operating as a public utility; to carry on the business of data processing and analysis including assimilation, sorting, processing and communication of data and graphs, development of computer analysis, software development, data preparation and verification, data analysis, data transmission and computation through the computer or other devices encompassing digital, analog and graphic processes and any other information technology; and, to undertake merchandising and logistics activities in the areas of electronic commerce as well as other forms of commerce and commercial transactions and to undertake the operation and management of e-mail services centers, customer response centers, computer education and training centers for the foregoing operations, loyalty incentive and motivation programs, direct marketing activities, database management, back office support and all internet and web work.

The Parent Company is a wholly-owned subsidiary of Tech Mahindra Limited (the "Ultimate Parent"), a corporation organized and existing under the laws of India. The Parent Company's registered business address is at 3rd Floor, eCommerce Plaza, Eastwood Cyberpark, Quezon City.

The consolidated financial statements include the accounts of the Parent Company and its wholly-owned subsidiary:

	Percentage of Ownership	
	2025	**2024**
vCustomer Philippines (Cebu), Inc.	100	100
Orchid Cybertech Services Incorporated (OCSI)	100	100

The Parent Company and subsidiaries are collectively refereed as the "Group".

vCustomer Philippines (Cebu), Inc. (vCustomer Cebu) is incorporated in the Philippines and is registered with the SEC on January 20, 2011. Its principal place of business is located at 6th Floor, eBLOC 3, Geonzon St., Cebu IT Park, Apas Lahug, Cebu City. Its primary purpose is to carry on the business of providing services to customers in any part of the world through any and all medium of communication.

On February 19, 2024, the Parent Company acquired Orchid Cybertech Services, Incorporated (OCSI) for a cash consideration. OCSI was incorporated in the Philippines and is registered with the SEC on October 15, 2004. Its principal place of business is located at 2nd Floor Ortigas Technopoint One, Dona Julia Vargas Avenue, Ortigas Center, Ugong, City of Pasig. Its primary purpose is to carry on IT call center operations.

The total purchase consideration amounted to P199,856,151. The fair value of the identifiable assets acquired and liabilities assumed as of the date of the acquisition is as follows:

Current assets	P315,058,691
Noncurrent assets	
Property and Equipment	68,454,027
Right-of-use assets	26,542,304
Other assets	1,150,776
Current liabilities	(283,774,394)
Noncurrent liabilities	(24,158,631)
Customer relationship	96,583,378
Total Purchase Price	**P199,856,151**

For the period ended March 31, 2024, OCSI contributions to the Group's revenue and net income amounted to P234,878,109 and P17,342,126, respectively.

For the period ended March 31, 2025, an additional purchase consideration is recognized as a result of an adjustment in the net assets of OCSI, which amounted to P221,163.

2. Basis of Preparation

Statement of Compliance

The consolidated financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards are based on International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). PFRS Accounting Standards which are issued by the Financial and Sustainability Reporting Standards Council (FSRSC), consist of PFRS Accounting Standards, Philippine Accounting Standards (PAS), Philippine Interpretations based on International Financial Reporting Interpretations Committee (IFRIC) interpretations.

Basis of Measurement

The consolidated financial statements have been prepared on a historical cost basis of accounting except for retirement benefits obligation which is recognized at the present value of the defined benefits obligation.

Functional and Presentational Currency

These consolidated financial statements are presented in Philippine Peso, the currency of the primary economic environment in which the Group operates. All amounts are recorded in the nearest peso, except when otherwise indicated.

Authorization for the Issuance of the Consolidated Financial Statements

The accompanying consolidated financial statements of the Group as of and for the years ended March 31, 2025 and 2024 were approved and authorized for issue by the Board of Directors (BOD) on May 23, 2025.

3. Critical Accounting Judgments and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, Management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on the historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical Judgments in Applying Accounting Policies

The following are the critical judgments, apart from those involving estimations, that Management have made in the process of applying the entity 's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

Functional Currency

Based on the economic substance of the underlying circumstances relevant to the Group, the functional currency of the Group has determined to be the Philippine Peso.

The Philippine Peso is the currency of the primary economic environment in which the Group operates. It is the currency that mainly influences the Group's cost of operation, and in effect, its revenue.

Determination of the Term and Discount Rate of Lease Arrangements

Where the Group is the lessee, management is required to make judgments about whether an arrangement contains a lease, the lease term and the appropriate discount rate to calculate the present value of the lease payments.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases entered into by the Group as lessee, management uses the incremental borrowing rate, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group uses an approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group and makes adjustments specific to the lease.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination

options) are only included in the lease term if it is reasonably certain that the lease will be extended (or not terminated) and, as such, included within lease liabilities.

The Group normally considers in the assessment whether there are significant penalties to terminate, significant remaining value of leasehold improvements and historical lease durations, the costs and business disruption for replacing the leased asset, enforceability of the option, and business and other developments.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and is within the lessee's control.

Key Sources of Estimation Uncertainties

The following are key estimates concerning the future and other key sources of estimation uncertainty as at end of reporting period that have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Impairment of Property and Equipment

The Group assesses at the end of each reporting period whether there is any indication that its property and equipment is impaired. The factors that the Group considers important which could trigger an impairment review include the following:

- significant underperformance relative to the expected historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- significant negative industry or economic trends.

Management assessed that there are no indicators of impairment affecting the noncurrent financial assets as at March 31, 2025 and 2024.

As at March 31, 2025 and 2024, the carrying amount of property and equipment amounted to P224,567,696 and P240,195,328 respectively (see Note 9).

Estimating Retirement Benefits Obligation

The present value of the retirement benefits obligation depends on a number of assumptions that are determined on an actuarial basis. The assumptions used in determining the net cost (income) for retirement benefits include the discount rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement benefits liability. Other key assumptions include future salary, mortality and attrition. Additional information is disclosed in Note 18.

Retirement benefits obligation amounted to P128,217,365 and P110,324,469 as at March 31, 2025 and 2024, respectively (see Note 18).

Accrued compensated leave credits amounted to P48,210,258 and P41,529,071 as at March 31, 2025 and 2024, respectively (see Note 18).

Provisions and Contingencies

The recognition of provisions on claims requires estimates and judgment regarding the timing and the amount of outflow of resources. Assessment's supported by internal and external legal counsel, where appropriate, determines whether it is probable that an outflow of resources will be required to settle an obligation. If this is the case, the best estimate of the outflow of resources is recognized.

As at March 31, 2025 and 2024, the Group's provision for probable losses amounted to nil.

4. Adoption of Amendments to Standards and Interpretations

The Group has adopted the following amendments to standards starting April 1, 2024 and accordingly, changed its accounting policies. Except as otherwise indicated, the adoption of these new and amendments to standards did not have any significant impact on the Group's consolidated financial statements. These are as follows:

- PAS 1*, Presentation of Financial Statements - Classification of Liabilities as Current or Noncurrent - 2020 amendments and Non-Current Liabilities with Covenants - 2022 amendments (Amendments)*. To promote consistency in application and clarify the requirements on determining whether a liability is current or noncurrent, the amendments:
  - removed the requirement for a right to defer settlement of a liability for at least twelve months after the reporting period to be unconditional and instead requires that the right must have substance and exist at the end of the reporting period;
  - clarified that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current and covenants with which the entity must comply after the reporting date do not affect a liability's classification at that date;
  - provided additional disclosure requirements for non-current liabilities subject to conditions within twelve months after the reporting period to enable the assessment of the risk that the liability could become repayable within twelve months; and
  - clarified that settlement of a liability includes transferring an entity's own equity instruments to the counterparty, but conversion options that are classified as equity do not affect classification of the liability as current or noncurrent.
- PAS 7*, Statement of Cash Flows and PFRS 7, Financial Instruments: Disclosures - Supplier Finance Arrangements (Amendments)* introduce new disclosures about a company's supplier finance arrangements that would enable users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows, and the company's exposure to liquidity risk. Under the amendments, a company discloses in aggregate for its supplier finance arrangements:
  - the terms and conditions of the arrangements;
  - beginning and ending carrying amounts and associated line items of the financial liabilities that are part of a supplier finance arrangement, distinguishing those for which suppliers were already paid, and range of payment due dates including those for comparable trade payables not part of a supplier finance arrangement; and
  - the type and effect of non-cash changes in the carrying amounts.

The amendments also add supplier finance arrangements as an example to the existing disclosure requirements on factors a company might consider when providing specific quantitative liquidity risk disclosures about its financial liabilities.

A company is not required to disclose comparative information for any prior reporting periods, information on carrying amounts for which suppliers already received payment and range of payment due dates as at the beginning of the annual reporting period the company first applies the amendments, and information for any interim period within the annual reporting period in which the company first applies those amendments.

Standards Issued But Not Yet Adopted

A number of amendments to standards are effective for annual periods beginning after January 1, 2025. However, the Company has not early adopted the following amended standards in preparing these financial statements. Unless otherwise stated, none of these are expected to have a significant impact on the Company's financial statements.

Effective January 1, 2025

- PAS 21, *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability (Amendments)* clarify that a currency is exchangeable into another currency when a company is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

When a currency is not exchangeable, a company needs to estimate a spot rate. The objective in estimating the spot rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments do not specify how to estimate the spot exchange rate to meet the objective and an entity can use an observable exchange rate without adjustment or another estimation technique.

The amendments require new disclosures to help users assess the impact of using an estimated exchange rate on the financial statements, including the nature and financial impacts of the currency not being exchangeable, the spot exchange rate used, the estimation process, and risks to the company because the currency is not exchangeable.

Earlier application is permitted. Comparative information is not restated and the effect of initially applying the amendments are adjusted to the opening balance of retained earnings, or to the cumulative amount of translation differences if the company uses a presentation currency other than its functional currency.

Effective January 1, 2026

- PFRS 9, *Financial Instruments and PFRS 7, Financial Instruments: Disclosures Amendments to the Classification and Measurement of Financial Instruments (Amendments)* relate to the date of recognition and derecognition, classification of financial assets, contractually linked instruments and non-recourse features, and disclosures on investments in equity instruments.

Date of recognition and derecognition. The amendments clarified that:

- a financial asset or financial liability is recognized on the date on which the entity becomes a party to the contractual provisions of the instrument unless the regular way exemption applies;

- a financial asset is derecognized on the date on which the contractual rights to cash flows expire or the asset is transferred; and

- a financial liability is derecognized on the settlement date, which is the date on which the liability is extinguished because the obligation specified in the contract is discharged or cancelled or expires or the liability otherwise qualifies for derecognition.

However, the amendments provide an exception for the derecognition of financial liabilities where an entity may choose to derecognize a financial liability that is settled using an electronic payment system before the settlement date if, and only if, the entity has initiated the payment instruction that resulted in:

- the entity having no practical ability to withdraw, stop or cancel the payment instruction;

- the entity having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and

- the settlement risk associated with the electronic payment system is insignificant.

Entities may choose to apply the exception on a system-by-system basis.

Classification of financial assets. The amendments related to classification of financial assets introduces an additional test to assess whether the solely payments of principal and interest (SPPI) criterion is met for financial assets with contingent features that are not related directly to a change in basic lending risks or costs.

The amendments clarified that when a contingent feature gives rise to contractual cash flows that are consistent with a basic lending arrangement both before and after the change in contractual cash flows, but the nature of the contingent event itself does not relate directly to changes in basic lending risks and costs, the financial asset has contractual cash flows that are SPPI if, and only if, in all contractually possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.

Additional disclosures are required for all financial assets and financial liabilities that have certain contingent features that are not related directly to a change in basic lending risks or costs and are not measured at fair value through profit or loss.

Contractually linked instruments and non-recourse features. The amendments clarify the key characteristics of contractually linked instruments (CLIs) and how they differ from financial assets with non-recourse features. The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test). For example, it clarifies that a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets; that CLIs have non-recourse features, but not all financial assets with non-recourse features are CLIs; and that the underlying pool of instruments of CLIs may include financial assets outside the scope of IFRS 9.

Disclosures on investments in equity instruments. The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI). The entity discloses for each class of investment the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognized during the reporting period and the fair value gain or loss related to investments held at the end of the reporting period. It also discloses any transfers of the cumulative gain or loss within equity during the reporting period related to investments derecognized during that reporting period.

Earlier application is permitted. Entities may choose to early-adopt the amendments for the recognition and derecognition of financial assets and financial liabilities separately from the other amendments

- *Annual Improvements to PFRS Accounting Standards - Volume 11. This cycle of improvements contains amendments to five standards:*

    - PFRS 1, *First-time Adoption of International Financial Reporting Standards - Hedge Accounting by a First-time Adopter (Amendments)* were made to terminology on hedge accounting by a first-time adopter of PFRS to improve consistency with the requirements of PFRS 9, Financial Instruments. The term 'conditions' was updated to 'qualifying criteria' in line with the shift from PAS 39, Financial Instruments: Recognition and Measurement to PFRS 9. Specific cross-references to paragraphs in PFRS 9 containing guidance on the qualifying criteria were added to improve understandability.

    - PFRS 7, *Financial Instruments: Disclosure - Gain or Loss on Derecognition (Amendments)* replaced the reference to 'inputs that were not based on observable market data' in the obsolete paragraph 27A of PFRS 7, with reference to 'unobservable inputs' in paragraphs 72-73 of PFRS 13, Fair Value Measurement.

    - PFRS 7, *Financial Instruments: Disclosure - Introduction, Disclosure of Difference Between Fair Value and Transaction Price, and Credit Risk Disclosures (Amendments to Guidance on implementing PFRS 7)*. The amendments:

        - clarified that the Guidance on implementing PFRS 7 does not necessarily illustrate all the requirements in the referenced paragraphs of PFRS 7;

        - made the wordings on the disclosure of deferred difference between fair value and transaction price in paragraph IG14 of PFRS 7 consistent with the requirements in paragraph 28 of PFRS 7 and with the concepts in PFRS 9, *Financial Instruments and PFRS 13, Fair Value Measuremen*t; and,

        - simplified the wordings on credit risk disclosures in paragraph IG20B that the illustration does not include financial assets that are purchased or originated credit impaired.

- PFRS 9, *Financial Instruments - Derecognition of Lease Liabilities and Transaction Price (Amendments). The amendments:*

    - added a cross-reference to clarify that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee applies the requirement that the difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognized in profit or loss; and

    - replaced the term 'their transaction price (as defined in IFRS 15)' with 'the amount determined by applying IFRS 15' because a receivable might be initially measured at an amount that differs from the transaction price recognized as revenue, for example, when you recognize full amount for consideration that's unconditionally receivable but at the same time recognize expected refund liability with respect to retrospective rebates. Consequently, the definition of the transaction price has been deleted.

- PFRS 10, *Consolidated Financial Statements - Determination of 'De Facto Agent' (Amendments)* revised the wording on whether a party is a de facto agent when directed by 'those that direct the activities of the investor' to be non-conclusive given this may require judgement.

- PAS 7, *Statement of Cash Flows - Cost Method (Amendments)* replaced the term 'cost method' with 'at cost' given the definition of 'cost method' has previously been removed from PFRS Accounting Standards.

Earlier application is permitted. The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied.

Effective January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements will replace PAS 1, Presentation of Financial Statements* and aims to provide greater consistency in presentation of the income and cash flow statements, and more disaggregated information.

    - *A more structured income statement*. PFRS 18 promotes a more structured income statement. It introduces a newly defined 'operating profit or loss' and 'profit or loss before financing and income tax' subtotals, and a requirement for all income and expenses to be classified into three new distinct categories operating, investing, and financing – based on a company's main business activities. PFRS 18 also requires companies to analyze their operating expenses directly on the face of the income statement – either by nature, by function or on a mixed basis. Companies need to choose the presentation method that provides the 'most useful structured summary' of those expenses. New disclosures apply if any operating expenses are presented by function.

    - *Management-defined performance measures*. PFRS 18 provides a definition for management-defined performance measures (MPMs) and introduces specific disclosure requirements. MPMs are subtotals of income and expenses that are used in public communications outside the financial statements, communicate management's view of an aspect of the financial performance of the entity as a whole and are not a required subtotal or a common income and expense subtotal listed in PFRS 18. For each MPM presented, companies will need to explain in a single note to the financial statements why the measure provides useful information and how it is calculated, and to reconcile it to an amount determined under PFRS Accounting Standards.

    - *Greater disaggregation of information*. PFRS 18 provides enhanced guidance on how companies group information in the financial statements, including newly defined roles of the primary financial statements and the notes, principles of aggregation and disaggregation based on shared and non-shared characteristics, and specific guidance for labelling and describing items in a way that faithfully represents an item's characteristics.

PFRS 18 also now require goodwill to be presented as a line item in the statement of financial position.

Consequential amendments to PAS 7 Statement of Cash Flows requires the use of the operating profit or loss subtotal as the starting point when presenting operating cash flows under the indirect method and eliminate the options for classifying interest and dividend cash flows.

PFRS 18 also amends PAS 33 Earnings per Share to permit companies to disclose additional amounts per share using as numerator a required income and expenses total or subtotal, a common subtotal listed in PFRS 18 or an MPM disclosed by the entity.

PFRS 18 applies for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. It applies retrospectively in accordance with PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*. Specific reconciliations are required to be disclosed. Eligible entities including venture capital organizations, mutual funds and some insurers will be allowed to change their election for measuring investments in associates and joint ventures from equity method to fair value through profit or loss.

Deferral of the local implementation of Amendments to PFRS 10 and PAS 28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

- PFRS 10, *Consolidated Financial Statements and PAS 28, Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments)* address an inconsistency between the requirements in PFRS 10 and in PAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The amendments require that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

Originally, the amendments apply prospectively for annual periods beginning on or after January 1, 2016, with early adoption permitted. However, on January 13, 2016, the Financial Reporting Standards Council decided to postpone the effective date of these amendments until the International Accounting Standards Board has completed its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

5. Material Accounting Policies

The Group has consistently applied the accounting policies to all years presented in these consolidated financial statements, unless otherwise stated.

Consolidation

The consolidated financial statements incorporate the financial amounts of the Parent Company and its subsidiaries. A subsidiary is an entity over which the Parent Company has control. The Parent Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A subsidiary is fully consolidated from the date that control commences until the date that control ceases.

All intra-group transactions, balances, income and expenses are eliminated upon consolidation. Unrealized losses on intragroup transactions are eliminated, unless the transaction provides evidence of an impairment of the assets transferred.

The significant accounting policies and practices applied in the preparation of these consolidated financial statements are set forth to facilitate the understanding of data presented in these consolidated financial statements. These policies have been consistently applied to all years presented unless otherwise stated.

Current versus Noncurrent Classification

The Group presents assets and liabilities in the consolidated statements of financial position based on current or noncurrent classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve (12) months after the financial reporting period;
- Expected to be settled on demand; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve (12) months after the financial reporting period.

All other assets are classified as noncurrent. Deferred tax assets are classified as noncurrent assets.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve (12) months after the financial reporting period;
- It is expected to be settled in demand; or
- There is no unconditional right to defer the settlement of the liability for at least twelve (12) months after the financial reporting period.

All other liabilities are classified as noncurrent. Deferred tax liabilities are classified as noncurrent liabilities.

Financial Instruments

Financial Assets

Financial assets are recognized when the Group becomes a party to the contractual provisions of a financial instrument. Financial assets are derecognized when the rights to receive cash flows from the financial assets expire, or if the Group transfers the financial asset to another party and does not retain control or substantially all risks and rewards of the asset. Purchases and sales of financial assets in the normal course of business are accounted for at settlement date (i.e., the date that the asset is delivered to or by the Group). At initial recognition, the Group measures its financial assets at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Financial instruments are recognized initially at fair value of the consideration given (in case of an asset) or received (in case of a liability). The initial measurement of financial instruments, except for those designated as fair value through profit or loss, includes transaction costs.

After initial recognition, the Group classifies its financial assets as subsequently measured at either i) amortized cost, ii) fair value through other comprehensive income or iii) fair value through profit or loss on the basis of both:

The Group's business model for managing the financial assets.

The contractual cash flow characteristics of the financial asset.

Subsequent to initial recognition, financial assets are measured as described below. At each balance sheet date, the Group assesses whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognizes a loss allowance for expected credit losses for financial assets measured at either amortized costs or at fair value through other comprehensive income. If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 months of expected credit losses.

If, at the reporting date, the credit risk on a financial instrument has increased significantly since initial recognition, the Group measures the loss allowance for the financial instrument at an amount equal to the lifetime expected credit losses. The Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Financial Assets at Amortized Cost

Financial assets are measured at amortized cost if both i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and ii) 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.

A financial asset measured at amortized cost is initially recognized at fair value plus transaction cost directly attributable to the asset. After initial recognition, the carrying amount of the financial asset measured at amortized cost is determined using the effective interest method, less any impairment losses.

Financial assets at amortized cost are classified as current assets when the Group expects to realize the asset within 12 months from reporting date. Otherwise, these are classified as noncurrent assets.

Cash and cash equivalents, trade receivables and refundable deposits are generally included in this category.

Cash and cash equivalents includes cash on hand, cash in banks and cash equivalents.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. The Group classifies an investment as cash equivalent if that investment has a maturity of three months or less from the date of acquisition.

Financial Liabilities

Financial liabilities are recognized when the Group becomes a party to the contractual provisions of a financial instrument. Financial liabilities are derecognized when the Group's obligations specified in the contract expire or are discharged or cancelled.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group generally classifies all financial liabilities as subsequently measured at amortized cost.

Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Trade and other payables (excluding payable to government agencies, withholding taxes and sales tax payable) and lease liabilities are generally included in this category.

Prepaid Expenses and Other Current Assets

Prepaid expenses represent expenses not yet incurred but already paid in cash. Prepaid expenses are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to profit or loss as they are consumed in operations or expire with the passage of time.

Other current assets pertain to resources controlled by the Group as a result of past events and from which future economic benefits are expected to flow to the Group.

Prepaid expenses and other current assets are classified in the consolidated statements of financial position as current asset when the cost of services related to the prepaid expenses and other current assets are expected to be incurred within one year or the Group's normal operating cycle, whichever is longer. Otherwise, prepayments are classified as non-current assets.

Property and Equipment

Property and equipment are initially measured at cost. The cost of an item of property and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and

- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

At the end of each reporting period, items of property and equipment are measured at cost less any subsequent accumulated depreciation and impairment losses.

Subsequent expenditures relating to an item of property and equipment that have already been recognized are added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditures are recognized as expenses in the period in which those are incurred.

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

	Number of Years
Office equipment	5
Communication equipment	3 - 5
Furniture and fixtures	3 - 5
Leasehold improvements	3 or lease term, whichever is shorter

Leasehold improvements are amortized over the improvements' useful life of three years or when shorter, the term of the relevant lease.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the profit or loss.

At the end of each reporting period, the Group assesses whether there is any indication that any of its property and equipment is impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognized as an expense.

Impairment losses recognized in prior periods are assessed at the end of each reporting period for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Intangible Assets

Intangible Asset Acquired Separately

Intangible assets are initially measured at cost. Subsequent to initial recognition, intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over the estimated useful lives. The estimated useful life and the amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Share Capital

Ordinary shares is classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

Retained Earnings

Retained earnings represent accumulated profits and losses earned and incurred by the Group. Retained earnings may also include effect of changes in accounting policy as may be required by the standard's transitional provisions.

Provisions and Contingencies

Provisions are recognized when the Group has a present obligation, either legal or constructive, as a result of a past event, it is probable that the Group will be required to settle the obligation through an outflow of resources embodying economic benefits, and the amount of the obligation can be estimated reliably.

The amount of the provision recognized is the best estimate of the consideration required to settle the present obligation at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation. A provision is measured using the cash flows estimated to settle the present obligation. Its carrying amount is the present value of those cash flows.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

Contingent liabilities are not recognized in the consolidated financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but are disclosed when an inflow of economic benefits is probable.

Employee Benefits

Short-Term Benefits

The Group recognizes a liability, net of amounts already paid, and an expense for services rendered by employees during the accounting period. A liability is also recognized for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Group has 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.

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

Post-Employment Benefits

Defined Benefit Plan

The Group classifies its retirement benefit as defined benefit plans. Under the defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), are reflected immediately in the consolidated statements of financial position with a charge or credit recognized in OCI in the period in which they occur. Remeasurement recognized in OCI is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefits liability or asset.

Defined benefits costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurements.

The Group presents the first two components of defined benefits costs in profit or loss in the line item ‘retirement benefits costs. Curtailment gains and losses are accounted for as past service costs.

The retirement benefits obligation recognized in the consolidated statements of financial position represents the liability of the Group for its post-employment benefits.

Compensated Leave Credits

The Group’s net obligation in respect of accumulated leaves is the amount of future benefit that employees have earned in return for their services in the current and prior periods. This benefit is discounted to determine its present value. Remeasurements are recognized in profit or loss in the period in which they arise.

Revenue Recognition

The Group identifies each distinct performance obligation to transfer services. The Group recognizes revenue when (or as) it satisfies a performance obligation by transferring the control of services to the customer. The transaction price is the amount of consideration the Group expects to receive under the arrangement. The Group concluded that it is acting as principal for its revenue arrangement.

Sale of Services

The Group provides services assistance to its Parent Group in the ordinary course of business. Such services are recognized as a performance obligation satisfied over time.

Expense Recognition

Expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or increase of liabilities that result in decrease in equity, other than those relating to distributions to equity participants.

Leases

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

As a Lessee

The Group recognizes a ROU assets and a lease liabilities at the lease commencement date. The ROU assets are initially measured at cost, which comprises the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove or restore the underlying asset or the site on which it is located, less any incentives received.

The ROU assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU assets or the end of lease term. The estimated useful lives of the ROU assets are determined on the same basis as those of property and equipment. In addition, the ROU assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liabilities.

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

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

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

The lease liabilities are measured at amortized cost using the effective interest method. This are remeasured if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liabilities are remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU assets or is recorded in profit or loss if the carrying amount of the ROU assets has been reduced to zero.

The ROU assets and lease liabilities are presented in the consolidated statements of financial position separately from other assets and liabilities, respectively.

Foreign Currency

Transactions in currencies other than Philippine peso are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated In foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Gains and losses arising on retranslation are included in profit or loss for the year.

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

Related Party Transactions

A related party transaction is a transfer of resources, services or obligations between the Group and a related party, regardless of whether a price is charged.

Related party relationship exists when one party has the ability to control, directly or indirectly, through one or more intermediaries, the other party or exercise significant influence over the other party in making the financial and operating decisions. Such relationship also exists between and/or among entities under common control with the reporting enterprises and their key management personnel, directors, or its stockholders. Related parties may be individuals or

corporate entities. In considering each possible related party relationships, attention is directed to the substance of the relationship, and not merely the legal form.

Income Taxes

Income tax expense recognized in the consolidated statements of comprehensive income of the Group represents the current tax expense and deferred tax expense.

Under the Group's registration with the PEZA pursuant to the provisions of R.A. No. 7916, *The Special Economic Zone Act of 1995*, the Group is subject to 5% final tax on gross income from PEZA-registered activities in lieu of payment of national and local taxes.

Uncertainties related to taxes that are not income taxes are recognized and measured in accordance with PAS 37, Provisions, *Contingent Liabilities and Contingent Assets* unless they are dealt with specifically in another standard.

If there is uncertainty about an income tax treatment, then the Group considers whether it is probable that a tax authority will accept the Group's tax treatment included in its tax filing. The underlying assumption in the assessment is that a tax authority will examine all amounts reported and will have full knowledge of all relevant information.

Current Tax

The current tax expense is based on taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated statements of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using 5% of gross income earned from registered activities. For income other than its registered activities, tax rate is based on the applicable regular income tax rate of the Bureau of Internal Revenue. Income is tax exempt when the activities are included under income tax holiday.

Deferred Tax

Deferred tax is recognized on 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 liabilities are generally recognized for all taxable temporary differences, while deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Events After the Reporting Period

The Group identifies events after the end of each reporting period as those events, both favorable and unfavorable, that occur between the end of the reporting period and the date when the consolidated financial statements are authorized for issue. The consolidated financial statements of the Group are adjusted to reflect those events that provide evidence of conditions that existed at the end of the reporting period.

Non-adjusting events after the end of the reporting period are disclosed in the consolidated notes to financial statements when material.

6. Cash and Cash Equivalents

This account consists of:

	Note	2025	2024
Cash on hand		**P492,528**	P591,155
Cash in banks	20, 21	**98,710,489**	155,697,286
Time deposits	20, 21	**795,837,000**	655,124,000
		P895,040,017	P811,412,441

Interest income on cash in banks and time deposits amounted to P6,564,772 and P2,597,284 in 2025 and 2024, respectively.

7. Trade and Other Receivables

This account consists of:

	Note	2025	2024
Trade receivables	20, 21	**P1,375,605,623**	P1,007,436,046
Advances to employees		**7,785,224**	9,814,778
Advances to suppliers		**6,523,497**	8,100,647
Others		**2,750,213**	4,540,274
		P1,392,664,557	P1,029,891,745

Trade receivables have an average credit terms of 60 days.

8. Prepaid Expenses and Other Current Assets

This account consists of:

	2025	2024
Prepaid insurance	**P33,363,894**	P14,641,812
Prepaid rentals and security deposits	**488,044**	-
Prepaid taxes	**7,875**	-
Prepaid utilities	**-**	225,188
Others	**4,435,381**	3,849,587
	P 38,295,194	P18,716,587

Prepaid utilities pertain to the advance payment made to the lessor for maintenance services.

Others include payment for the Group's program management services, advertising, subscription, transportation and travel, and membership fees of the Group.

9. Property and Equipment

The movements in this account are as follows:

2025	Leasehold Improvements	Office Equipment	Communication Equipment	Furniture and Fixtures	Construction In-Progress	Total
Cost						
Balance at beginning of year	**P568,945,211**	**P561,521,713**	**P220,205,959**	**P11,677,192**	**P2,182,029**	**P1,364,532,104**
Additions during the year	**33,986,846**	**34,450,064**	**98,644,627**	**6,418,555**	**826,493**	**174,326,585**
Adjustment	**(2,536,000)**	**-**	**-**	**2,592,090**	**-**	**56,090**
Disposal	**(34,562,225)**	**(5,780,946)**	**(33,685,096)**	**(14,756,867)**	**(3,008,522)**	**(91,793,656)**
Balance at end of year	**565,833,832**	**590,190,8320**	**285,165,490**	**5,930,970**	**-**	**1,447,121,124**
Accumulated Depreciation						
Balance at beginning of year	**509,598,707**	**449,064,285**	**154,429,085**	**11,244,701**	**-**	**1,124,336,778**
Depreciation	**54,147,742**	**75,360,049**	**51,834,850**	**949,151**	**-**	**182,291,792**
Disposal	**(34,562,225)**	**(5,780,946)**	**(29,031,194)**	**(14,756,867)**	**-**	**(84,131,232)**
Adjustment	**(2,536,000)**	**-**	**-**	**2,592,090**	**-**	**56,090**
Balance at end of year	**526,648,224**	**518,643,388**	**177,232,741**	**29,075**	**-**	**1,222,553,428**
Net Carrying Value	**P39,185,608**	**P71,547,444**	**P107,932,749**	**P5,901,895**	**-**	**P224,567,696**

2024	Leasehold Improvements	Office Equipment	Communication Equipment	Furniture and Fixtures	Construction In-Progress	Total
Cost						
Balance at beginning of year	P548,612,202	P547,426,867	P161,480,625	P15,860,778	P-	P1,273,380,472
Additions during the year	25,082,920	50,963,045	2,363,038	30,578	-	78,439,581
Disposal	(5,984,039)	(37,413,638)	(7,572,712)	(4,771,585)	-	(55,741,974)
Transfer in (Note 1)	1,234,128	545,439	63,935,008	557,421	2,182,031	68,454,027
Balance at end of year	568,945,211	561,521,713	220,205,959	11,677,192	2,182,031	1,364,532,106
Accumulated Depreciation						
Balance at beginning of year	441,683,183	385,555,666	151,956,571	15,860,777	-	995,056,197
Depreciation	73,899,563	100,772,257	10,045,226	155,509	-	184,872,555
Disposal	(5,984,039)	(37,263,638)	(7,572,712)	(4,771,585)	-	(55,591,974)
Balance at end of year	509,598,707	449,064,285	154,429,085	11,244,701	-	1,124,336,778
Net Carrying Value	P59,346,504	P112,457,428	P65,776,874	P432,491	P2,182,031	P240,195,328

The depreciation is presented as part of the following:

	Note	2025	2024
Cost of services	15	**P153,183,002**	P120,183,340
Operating expenses	16	**29,108,790**	64,689,215
		P182,291,792	P184,872,555

10. Intangible Assets

The account consists of:

	Note	2025	2024
Customer relationships	10a	**P92,290,784**	P94,437,081
Computer software and licenses	10b	**1,059,760**	1,601,804
		P93,350,544	P96,038,885

10a Customer Relationships

Customer relationships acquired through business combination represent the fair values at the date of acquisition of OCSI. The fair value is determined using discounted cash flow projections that generally cover a period of five years and are based on the financial plans approved by the Group's management. The key assumptions for the value-in-use calculations relate to the weighted average cost of capital (discount rate) and operating margins.

	Note	2025	2024
Cost			
Balance at beginning of year		**P94,437,081**	P -
Amortization during the year	16	**(2,146,297)**	(2,146,297)
Impact of business combination		**-**	96,583,378
Balance at end of year		**P92,290,784**	P94,437,081

10b Computer Software and Licenses

Intangible assets pertain to capitalized computer software. The movements in the intangible assets account are as follows:

	Note	2025	2024
Cost			
Balance at beginning and end of year		**P12,815,011**	11,860,372
Additions during the year		**250,000**	954,639
Balance at end of year		**13,065,011**	12,815,011
Accumulated Amortization			
Balance at beginning of year		**11,213,207**	8,587,433
Amortization during the year	15, 16	**792,044**	2,625,774
Balance at end of year		**12,005,251**	11,213,207
Net Carrying Value		**P1,059,760**	P1,601,804

The amortization is presented as part of the following:

	Note	2025	2024
Cost of services	15	**P527,292**	349,378
Operating expenses	16	**2,411,049**	4,422,693
		P2,938,341	P4,772,071

11. Refundable Deposits

This account consists of:

	Note	2025	2024
Rental deposits	17	**P76,966,689**	P80,015,501
Utility deposits		**27,267,629**	5,768,164
Guaranty deposit		**5,768,165**	27,267,629
Others		**48,000**	-
		110,050,483	113,051,294
Allowance for probable losses		**(27,267,629)**	(27,267,629)
	20, 21	**P82,782,854**	P85,783,665

Guaranty deposit pertains to the surety bond made to Department of Labor and Employment - National Labor Regulations Commission.

12. Trade and Other Payables

This account consists of:

	Note	2025	2024
Trade payable	20, 21	**P11,629,471**	P21,779,556
Accrued expenses	20, 21	**154,584,675**	66,439,031
Salaries payable	20, 21	**116,484,464**	196,628,010
Payable to government agencies		**44,014,179**	42,059,462
Withholding taxes		**11,453,556**	20,137,340
Output VAT - net		**3,085,576**	2,748,254
		P341,251,921	P349,791,653

Trade payables are normally on a 30 to 90-day credit terms.

Accrued expenses consist of electricity, legal fees, security services, consultancy, outside services, provision for leave encashment, etc. which are individually insignificant.

Payable to government agencies pertain to employee payroll premium contributions due to government agencies (i.e. Social Security Services (SSS), Philippine Health Insurance Corporation (Philhealth) and Home Development Mutual Fund (HDMF).

13. Related Party Transactions

The summary of the Group's transactions and outstanding balances with related parties as at and for the years ended March 31, 2025 and 2024 are as follows:

Category/ Transaction	Year	Note	Outstanding Balance: Amount of Transactions During the Year	Outstanding Balance: Trade Receivables	Terms	Conditions
Ultimate Parent						
Service revenue	**2025**	a, 7	**P4,576,746,498**	**P1,341,230,822**	60 days; non- interest bearing	Unsecured; no impairment
Expense	2024	a, 7	96,984	-		
			2,953,658,052	962,822,861		
Entities Under Common Control						
Service revenue	**2025**	b, c, 7	**267,184,360**	**34,374,801**	60 days; non- interest bearing	Unsecured; no impairment
	2024	b, c, 7	282,377,576	44,613,185		
TOTAL	**2025**			**P1,375,605,623**		
TOTAL	2024			P1,007,436,046		

a. The Group entered into Service Agreements with vCustomer Services LLC (vSLLC), a company incorporated under the laws of the United States of America (USA), an entity under common control, for an indefinite period unless mutually terminated, to provide web-based support (chat, email, fax); telephone support (voice); directory assistance; eCRM database management, eCRM database mining; web-based self-help solutions; remote website administration; remote back office support; remote system administration and technical help desk services through contact center representatives and such other functions as may be required in relation to the performance of its support function. vSLLC was merged with Tech Mahindra (Americas), Inc., a subsidiary of Tech Mahindra Limited (TML), on February 2, 2015. Accordingly, billings were made to TML subsequently.

b. The Group also entered into a Sub-contract Agreement on September 29, 2021 with Tech Mahindra Business Services Limited (TMBSL), an entity under common control, a Company incorporated under the laws of India, for a period of two years, to provide call center services.

   In consideration thereof, the Group bills TMBSL monthly service fee of ten percent (10%) mark-up rate on direct costs incurred by the Group in providing the services. The Group also bills for facility cost and depreciation at a rate of 10% on the cost as agreed by TMBSL and its customer. Contract receivables are billed by the Company in US dollars on a periodical basis and are settled in the same currency.

   On May 1, 2023, TML and TMBSL entered into a merger. The scheme of the merger is by absorption of TMBSL by TML. Contract with TMBSL will still continue in full force and effect. Accordingly, billings were made to TML subsequently as a result of the merger.

c. The Group entered into an agreement with Eventus Solutions Group, LLC (Eventus US), a Colorado Limited Liability Company, an entity under common control, for an indefinite period unless mutually terminated, to provide contact centre support services (voice and web-based customer care and service desk support) to clients of Eventus US.

In consideration thereof, the Group bills Eventus US ten percent (10%) mark-up rate on all costs (cost and operating expenses) incurred by the Group in providing the services. Contract receivables are billed by the Group in US dollars on periodical basis and are settled on the same currency.

The Group also entered into an agreement with Tech Mahindra Philippines wherein all cost incurred by the former (cost and operating expenses) in relation to the service it renders to the latter will be billed at ten percent (10%) mark-up rate.

On December 31, 2024, Eventus US and Tech Mahindra (Americas), Inc., a entered into a merger. The scheme of the merger is by absorption of Eventus US by Tech Mahindra (Americas), Inc. Contract with Eventus US will still continue in full force and effect. Accordingly, billings were made to TML subsequently as a result of the merger.

d. Compensation of key management for the years ended March 31, 2025 and 2024 is as follows:

	2025	2024
Salaries	**P113,485,748**	P101,209,092
Retirement benefits costs	**16,221,265**	16,960,147
Allowance	**1,438,300**	1,481,000
Other employee benefits	**17,196,422**	13,000,236
	P148,341,735	P132,650,475

Other employee benefits include 13th month pay, performance bonus, leave encashment and other short-term benefits.

All related party balances will be settled in cash. There are no other related party transactions.

14. Equity

Components of share capital are as follows:

	2025	2024
Authorized 1,000,000, issued, fully paid and outstanding: 950,000 ordinary shares -		
P10 par value	**P9,500,000**	P9,500,000

On March 31, 2025, the BOD approved an additional appropriation of P1,965,546,804, of which P552,800,000 is designated for future cash dividend declaration and P1,412,746,804 is for future expansion projects, business expansion, office renovation, and equipment upgrade. Also, on the same date, the BOD approved the reversal of the P1,595,324,274 appropriation in 2024.

On March 31, 2024, the BOD approved the additional appropriation of P1,595,324,274 from its current retained earnings as at March 31, 2024 to be used by the Group for legitimate corporate purposes including expansion projects, business expansions, office renovation and equipment upgrade. Also, on the same date, the BOD approved the reversal of the appropriated retained earnings in 2023 of P1,315,000,000 intended for the expansion projects.

Retained Earnings

In accordance with Section 42 of the Corporation Code of the Philippines (the “Code”), stock corporations are prohibited from retaining surplus profits in excess of one hundred percent (100%) of their paid-in capital, except:

- When justified by definite corporate expansion projects or programs approved by the BOD; or
- When the Corporation is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not yet been secured; or
- When it can be clearly shown that such retention is necessary under special circumstances, such as when there is a need for reserve for probable contingencies.

15. Cost of Services

This account consists of:

	Note	2025	2024
Personnel costs		**P3,005,595,024**	P1,950,017,853
Depreciation and amortization	9, 10, 17	**352,423,987**	233,161,935
Electricity		**66,726,260**	51,306,633
IT Infrastructure		**10,745,435**	10,551,570
Subscription and licenses		**4,633,491**	-
Others		**22,580,879**	2,466,046
		P3,462,705,076	P2,247,504,037

Details of personnel costs are as follows:

	Note	2025	2024
Salaries and wages		**P2,391,797,905**	P1,228,808,127
Allowances and staff welfare costs		**255,223,209**	426,173,412
SSS, PHIC and HDMF premium contributions		**249,552,768**	172,329,469
13th month pay		**73,883,759**	86,674,997
Retirement benefits cost	18	**35,137,383**	36,031,848
		P3,005,595,024	P1,950,017,853

Depreciation and amortization are broken down as follow:

	Note	2025	2024
ROU assets	17	**P198,713,693**	P112,629,217
Property and equipment	9	**153,183,002**	120,183,340
Intangible assets	10	**527,292**	349,378
		P352,423,987	P233,161,935

16. Operating Expenses

This account consists of:

	Note	2025	2024
Personnel costs		**P471,498,577**	P238,841,192
Facility management services		**86,432,915**	90,552,823
Depreciation and amortization	9, 10	**75,979,233**	133,049,554
Insurance		**57,410,638**	47,899,466
Security services		**43,645,925**	36,018,243
Outside services		**34,476,412**	21,896,318
Office expense		**18,329,300**	9,169,932
Repairs and maintenance		**15,840,966**	14,716,166
Trainings and recruitments		**14,734,181**	15,316,321
Professional fees		**12,787,568**	22,982,184
Transportation and travel		**10,185,354**	3,189,281
Taxes and licenses		**2,742,455**	2,892,831
IT infrastructure		**1,357,359**	2,404,511
Miscellaneous		**30,886,094**	13,169,710
		P876,306,977	P652,098,532

Miscellaneous includes donation, freight, postage and courier, membership, office management, guest house expenses and corporate apartment expense.

Details of personnel costs are as follows:

	Note	2025	2024
Salaries and wages		**P313,751,669**	P137,469,380
Allowances and staff welfare costs		**82,783,575**	49,250,547
SSS, PHIC and HDMF premium contributions		**29,895,045**	12,944,226
Retirement benefits costs	18	**27,190,545**	22,051,989
13th month pay		**17,877,743**	17,125,050
		P471,498,577	P238,841,192

Depreciation and amortization are broken down as follow:

	Note	2025	2024
ROU assets	17	**P44,459,394**	P63,937,646
Property and equipment	9	**29,108,790**	64,689,215
Intangible assets	10	**2,411,049**	4,422,693
		P75,979,233	P133,049,554

17. Lease Agreements

Parent Company

Office Space

3rd Floor, Ecommerce Plaza Building

On June 12, 2008, vCustomer Services India Pvt. Ltd. ("vCustomer India") entered into a lease agreement for office space located at 3rd Floor, eCommerce Plaza Building Eastwood City Cyberpark, 188 E. Rodriguez Jr. Avenue, Bagumbayan Quezon City. The lease term is 5 years from September 10, 2008 to September 10, 2013 with a free fitting out period of 3 months and an option to renew for an additional 2 lease terms of 5 years each.

Effective April 1, 2010 the vCustomer India subsequently assigned its rights and interest on the lease to the Parent Company. In 2013, the Parent Company renewed the lease for 5 years from September 10, 2013 to September 9, 2018 and renewed it further in 2018 for another five years from September 10, 2018 to September 9, 2023.

2nd Floor, Ecommerce Plaza Building

On September 15, 2018, the Parent Company entered into a lease agreement for an additional office space. The lease term is for 5 years from September 16, 2018 to November 15, 2023.

The Parent Company and the lessor mutually agreed to cancel this lease effective March 31, 2019. As a result, the Parent Company derecognized the carrying amount of the leasehold improvements. Also, the Parent Company derecognized the related obligation to the lessor amounting to P5,000,000, which represents the cost of leasehold improvements that the Company would pay the lessor under the lease agreement.

On July 1, 2021, Tech Mahindra Philippines assigned its rights, interests and obligations to the lease to the Parent Company which occupied the office space.

Subsidiaries

vCustomer Philippines (Cebu), Inc.

JESA Building, Cebu City

The Subsidiary entered into lease agreements for the corporate office unit it occupies in Cebu City. The lease term for the corporate office unit cover ten years with a free fitting out period of three months and an option to extend for another ten years. The lease term is from April 1, 2011 to March 31, 2021. Future payments under these lease agreements are subject to escalation rate of fifteen percent (15%) after the first five years. The Subsidiary entered into an extension of the lease contract for additional spaces in the same building starting May 1, 2014 up to March 31, 2021. Escalation of three percent (3%) per year is effective starting May 1, 2015. Rent free construction period is for two months.

During the quarter ended September 30, 2014, the Subsidiary entered into a new lease agreement to occupy additional office unit in the same building. The lease term for the unit is from July 1, 2014 to March 31, 2021 with a rent-free construction period from July 1, 2014 to August 31, 2014.

The lease agreements in JESA Building are renewable upon mutual agreement of both the lessor and the lessee. As at March 31, 2021, the lease agreement in JESA Building was not renewed.

The Subsidiary derecognized the leased asset on April 1, 2021.

EBLOC Tower 3, Cebu IT Park, Cebu City

In 2015, the Subsidiary entered into a lease agreement for the office unit and parking spaces for its expansion project located in EBLOC Tower 3, Cebu IT Park, Cebu City. The lease term for office unit is from January 6, 2015 to January 5, 2023 with free rent for the first three months of the actual handover date. Escalation of five percent (5%) per year is effective starting January 1, 2016.

On the same year, the Subsidiary entered into a new lease agreement to occupy additional office unit and parking spaces in the same building. The lease term is from May 14, 2015 to January 5, 2023 with free rent for the first three months of the actual handover date. Escalation of five percent (5%) per year is effective starting May 14, 2016.

Another lease agreement was entered by the Subsidiary on the same building for the lease of additional office units and parking spaces. The lease term is from October 15, 2015 to January 5, 2023 with free rent for the first three months of the actual handover date. Escalation of five percent (5%) per year is effective starting October 15, 2016.

In 2019, the Subsidiary entered into a new lease agreement to occupy additional office unit and parking spaces located on the same building. The lease term is from June 15, 2019 to June 14, 2024. The lease payment is fixed for the entire duration of the lease.

The lease agreements in EBLOC Tower 3 are renewable upon mutual agreement of both the lessor and the lessee.

Filinvest Cebu, Cyberzone Tower 2, Cebu City

In 2019, the Subsidiary entered into a new lease agreement to occupy office units located in Filinvest Cebu, Cyberzone Tower 2, Cebu City. The lease term is from September 1, 2019 to August 31, 2025 with free rent for the first three months of the actual handover date. Escalation of five percent (5%) per year is effective starting September 1, 2020.

During the year, the Subsidiary also entered into two new lease agreements on the same building for the lease of additional office units. One lease agreement has a lease term from October 1, 2019 to August 31, 2025 while the other lease agreement has a lease term from December 1, 2019 to August 25, 2025. Both the lease agreements have free rent for the first three months of the actual handover date and escalation of five percent (5%) per year effective October 1, 2020 and December 1, 2020, respectively.

The Subsidiary will have the right to renew the lease for two (2) further five-year (5) lease terms by sending a written notice to the lessor not less than six (6) months prior to expiry of the initial term of these lease agreements.

The Subsidiary also entered into another lease agreement to occupy additional office unit and parking spaces located on the same building. The lease term is from December 16, 2021 to September 15, 2028. Escalation of five percent (5%) per year is effective starting September 16, 2022.

In 2022, the Subsidiary entered into a new lease agreement to occupy additional office unit and parking spaces located on the same building. The lease term is from September 16, 2021 to September 15, 2028. Escalation of five percent (5%) per year is effective starting September 16, 2022.

In 2023, the Subsidiary entered into two new lease agreements on the same building for the lease of additional office unit and parking spaces. The lease agreements have lease terms from September 16, 2021 and July 1, 2022, to September 15, 2028. Both the lease agreements have free rent for four months of the actual handover date and escalation of five percent (5%) per year effective September 16, 2022 and September 16, 2023, respectively.

Orchid Cybertech Services Incorporated

The Subsidiary entered into lease agreements with third parties for the corporate office space and working station. These leases have terms ranging from one (1) to eight (8) years with renewal option included in the contract. There are no restrictions placed upon the Subsidiary by entering into these lease. The Subsidiary's obligations under its leases are subject to interest and penalty in cases of default of payment. The lease agreement includes upward escalation adjustments of the annual rental rates.

The details of the Group's ROU assets and lease liabilities for these leases as shown below:

I. ROU Assets

The movements in ROU Assets as at March 31, 2025 and 2024 are as follows:

	Note	2025	2024
Cost			
Balance at beginning of year		**P1,192,925,645**	P1,035,460,024
Additions during the year		**313,816,191**	265,061,703
Pre-terminated and end contracts		**(67,857,622)**	(134,138,387)
Transfer in		**-**	26,542,305
Balance at end of year		**1,438,884,214**	1,192,925,645
Accumulated Amortization			
Balance at beginning of year		**397,345,954**	354,917,479
Amortization	15, 16	**243,173,087**	176,566,862
Pre-terminated and end contracts		**(67,857,622)**	(134,138,387)
Balance at end of year		**572,661,419**	397,345,954
Net Carrying Value		**P866,222,794**	P795,579,691

II. Lease Liabilities

The movements in lease liabilities as at March 31, 2025 and 2024 are as follows:

	2025	2024
Balance at the beginning of year	**P846,804,935**	P713,311,814
Additions	**313,816,195**	265,061,703
Repayments	**(294,595,813)**	(199,643,786)
Accretion of interest expense	**64,149,971**	44,977,443
Transfer in	**-**	23,097,761
Net carrying value	**930,175,288**	846,804,935
Current portion	**203,314,784**	160,935,642
Noncurrent portion	**P726,860,504**	P685,869,293

III. Amounts in Profit or Loss

Amounts recognized in consolidated statements of comprehensive income are as follows:

		2025	2024
Amortization on ROU assets	15, 16	**P243,173,088**	P176,566,863
Accretion of interest		**64,149,971**	44,977,443
Rent expense relating to short-term leases		**99,000**	-
		P307,422,059	P221,544,306

IV. Future Minimum Lease Payments

The maturity analysis on the undiscounted lease liabilities as at March 31 is as follows:

	2025	2024
Maturity Analysis - Contractual Undiscounted Cash Flows		
Not more than 1 year	**P260,285,770**	P201,655,001
More than 1 year but less than 5 years	**694,163,062**	593,634,139
More than 5 years	**110,739,106**	218,201,757
Total Undiscounted Lease Liabilities	**1,065,739,106**	P1,013,490,897

The Group also entered into lease agreements for residential condominium units to be used by its visitors. The lease term is 1 year, which is renewable upon mutual agreement and consent of both parties. The recognition exemption for right-of-use asset and lease liability is applied on these short-term leases.

There are no significant restrictions imposed by lease arrangements, such as those concerning dividends, additional debt and further leasing.

18. Other Noncurrent Liabilities

This account consists of:

	Note	2025	2024
Retirement benefits obligation	18a	**P128,217,365**	P110,324,469
Accrued compensated leave credits	18b	**48,210,258**	41,529,071
		P176,427,623	P151,853,540

a. Retirement Benefits Obligation

The Group does not have an established formal retirement plan as at March 31, 2025 and 2024. It recognizes retirement benefits costs in accordance with the minimum regulatory benefit under Republic Act No. 7641, which is a defined benefit type. In the absence of a formal established retirement plan, the retirement benefit obligation is not yet funded. Retirement benefits are based on employees' years of service and compensation levels during employment period. Actuarial valuations are made with sufficient regularity. The most recent actuarial valuation was made for the year ended March 31, 2025.

The principal actuarial assumptions used to determine retirement benefits were as follows:

Regulatory Framework in which the Retirement Plan Operates

In accordance with the provisions of the RA 7641, the Group is required to pay eligible employees at least minimum regulatory benefit upon normal retirement, subject to age and service requirements.

Responsibilities of Trustee

Since the Group does not have a formal, trusteed Retirement Plan, there are no Trustees yet.

Description of Plan Characteristics and Associated Risks

The calculations were based on the provisions of the minimum mandated benefit under RA 7641. However, it should be noted that in the event a benefit claim arises, the benefit shall immediately be due and payable from the Group.

Amounts Recognized in the Consolidated Financial Statements

The principal actuarial assumptions used to determine retirement benefits were as follows:

	2025	2024
Discount rate	**6.25%-6.37%**	6.25%-6.26%
Salary increase rate	**5.00%**	6.00%-5.00%

The movement of present value of defined benefits obligation (DBO) follows:

	2025	2024
Balance at beginning of year	**P110,324,469**	P52,812,900
Current service cost	**24,991,200**	19,027,333
Remeasurement gains/(losses)	**(13,992,732)**	10,732,501
Interest cost	**6,894,428**	3,593,104
Transfer in	**-**	24,158,631
Balance at end of year	**P128,217,365**	P110,324,469

The retirement benefits costs recognized as part of "Cost of services" and "Operating expenses" accounts in the consolidated statement of comprehensive income for the years ended March 31, 2025 and 2024 were determined as follows:

	Note	2025	2024
Current service cost		**P24,991,200**	P19,027,333
Interest cost		**6,894,428**	3,593,104
Component of retirement benefits costs recognized in profit or loss	15, 16	**P31,885,628**	P22,620,437

b. Accrued Compensated Leave Credits

The Group provides its qualified employees compensated leave credits upon regularization. Leave encashment to be received upon separation by an employee with the Company is based on the employee's allowable leave balance.

Amounts Recognized in the Financial Statements

The principal actuarial assumptions used to determine accrued compensated leave credits were as follows:

	2025	2024
Discount rate	**6.25%**	6.25%
Salary increase rate	**5.00%**	6.00%

The movements of the present value of accrued compensated leave credits is as follows:

	Note	2025	2024
Balance at beginning of year		**P41,529,071**	P31,516,900
Current service cost	15, 16	**33,065,487**	33,598,300
Remeasurement gain (loss)		**(24,970,400)**	(13,208,700)
Interest cost	15, 16	**2,022,000**	1,865,100
Transfer in		**-**	6,327,071
Benefits paid directly by the Company		**(3,435,900)**	(18,569,600)
Balance at end of year		**P48,210,258**	P41,529,071

The accrued compensated leave credits recognized as part of "Cost of services" and "Operating expenses" accounts in the consolidated statement of comprehensive income for the years ended March 31, 2024 and 2023 were determined as follows:

	Note	2025	2024
Current service cost		**P33,065,487**	P33,598,300
Interest cost		**2,022,000**	1,865,100
Component of accrued compensated leave credits recognized in profit or loss	15, 16	**P35,087,487**	P35,463,400

Maturity Profile of Expected Future Benefit Payments

The Group's expected future payments related to retirement benefit obligation and accrued compensated leave credits is shown below:

	2025	2024
Beyond one year not later than 5 years	**P53,240,545**	P47,904,500
Beyond 5 years (6 to 10 years)	**41,154,360**	52,100,200

Retirement benefits costs and compensated leave credits are broken down as follows:

	Note	2025	2024
Cost of services	15	**P35,137,383**	P36,031,848
Operating expenses	16	**27,190,545**	22,051,989
		P62,327,928	P58,083,837

The movement of cumulative remeasurement gain, related to retirement benefits and accrued compensated leave credit, presented in the statements of changes in equity follows:

	2025	2024
Balance at beginning of year	**P104,997,352**	P102,521,153
Actuarial (loss) gain:		
Due to (from) liability assumption changes	**22,020,981**	(17,021,669)
Due to liability experience	**16,942,151**	22,928,495
Due (from) liability changes in demographic assumptions	**-**	(3,430,627)
	38,963,132	2,476,199
Balance at end of year	**P143,960,484**	P104,997,352

Amount, Timing and Uncertainty of Future Cash Flows

Sensitivity analysis on the defined benefit obligation is as follows:

2025		**Sensitivity Analysis**	**Effect on DBO**
Discount rate	**7.31%**	**1% increase**	**(58.39%)**
Discount rate	**5.31%**	**1% decrease**	**71.48%**
Salary increase rate	**6.00%**	**1% increase**	**72.52%**
Salary increase rate	**4.00%**	**1% decrease**	**(57.37%)**

2024		**Sensitivity Analysis**	**Effect on DBO**
Discount rate	7.25%	1% increase	(34.96%)
Discount rate	5.25%	1% decrease	13.14%
Salary increase rate	7.00%	1% increase	13.27%
Salary increase rate	5.00%	1% decrease	(35.01%)

Methods and Assumptions Used in Sensitivity Analysis

All other assumptions were kept constant in determining the sensitivity results above.

Changes Since Previous Period

There were no changes in the methods and assumptions used in preparing the sensitivity analysis.

Description of Asset-liability Matching Strategies

Since the DBO is still unfunded, there are no plan assets to match against the DBO.

Description of Funding Arrangements and Policies

Since the DBO is still unfunded, benefit claims under the DBO are paid directly by the Group when they become due.

Duration of Retirement Benefits Obligation

The average duration of the retirement benefit obligation is 16.50 years.

19. Income Taxes

Components of provision for income taxes charged to profit or loss are as follows:

	2025	2024
Current tax expense	**P57,643,640**	P26,209,061
Deferred tax expense (benefit)	**250,715**	250,715
	P57,894,355	P26,459,776

	2025	2024
Income before income tax	**P428,040,431**	P312,385,344
Less: Nontaxable income	**-**	-
Other income subject to RCIT	**2,809,161**	1,297,771
Gross income subject to GIT	**425,231,270**	311,087,573
Tax expense at 5%	**21,368,878**	15,554,379
Non-deductible expense	**47,021,374**	34,562,583
Non-taxable income:		
Income subject to tax holiday	**(10,378,308)**	(23,851,764)
Income subject to RCIT	**702,290**	324,442
Income subject to final tax	**(658,257)**	(129,864)
	P58,055,977	P26,459,776

The tax rate used for the 2025 and 2024 reconciliation above is the 5% special rate whose tax base is the gross income under the PEZA registered activities. Any income earned outside the PEZA registered activities are subject to Regular Corporate Income Tax (RCIT).

Registration with Philippine Economic Zone Authority (PEZA)

PEZA Registration of Parent Company

On March 29, 2010, the Parent Company was registered with Philippine Economic Zone Authority (PEZA) as an Ecozone IT enterprise. The Parent Company is entitled to incentives granted to non-pioneer projects under Republic Act (RA) 7916, *the Special Economic Zone Act of 1995, as amended*, and the PEZA IT Guidelines, which include a 4-year corporate Income Tax Holiday (ITH) for the original project in the eCommerce Plaza Building effective from the date of start of commercial operations. After the lapse of ITH, the Parent Company is subject to a 5% Gross Income Tax (5% GIT) incentive, in lieu of all national and local taxes.

On December 28, 2011, the PEZA approved the Parent Company's application for the ITH extension based on Net Foreign Exchange Earnings (NFEE) criterion in accordance with EPZA (now PEZA) General Circular No. 94-001 and Rule XV, Section 6, Paragraph A (6) of the PEZA Rules. The ITH extension covered the period of November 1, 2012 to October 31, 2013.

Starting November 1, 2013, the Parent Company is subject to the 5% GIT incentive.

PEZA Registration of vCustomer Philippines (Cebu), Inc.

JESA Building, Cebu City (2nd, 4th, 5th and 6th Floors)

On February 8, 2011, the Subsidiary was registered with the PEZA as an Ecozone IT enterprise. The Subsidiary is entitled to incentives granted to non-pioneer projects under RA 7916 and the PEZA IT Guidelines, which include a 4-year corporate ITH for the original project in the JESA Building effective from the date of start of commercial operations. After the lapse of ITH, the Subsidiary is subject to a 5% GIT incentive, in lieu of all national and local taxes. The Subsidiary started its commercial operations on July 1, 2011 and enjoyed the ITH up to June 30, 2015.

On February 20, 2015, the PEZA approved the Subsidiary's application for the ITH extension based on NFEE criterion in accordance with EPZA (now PEZA) General Circular No. 94-001 and Rule XV, Section 6, Paragraph A (6) of the PEZA Rules. The ITH extension covered the period of July 1, 2015 to June 30, 2016.

On October 18, 2016, the PEZA approved the Subsidiary's application for the additional ITH extension based on Capital Equipment to Labor Ratio (CELR) criterion in accordance with EPZA (now PEZA) General Circular No. 94-001 and Rule XV, Section 6, Paragraph A (6) of the PEZA Rules. The additional ITH extension covered the period of July 1, 2016 to June 30, 2017. Effective July 1, 2017, the Subsidiary's ITH lapsed.

Starting July 1, 2017, the JESA Building site is subject to the 5% GIT incentive. As at March 31, 2021, the lease agreement in JESA Building was not renewed. The existing 5% GIT incentive are transferred to the existing operations at the 7th,8th, and 9th floors of EBLOC Tower 3.

EBLOC Tower 3, Cebu IT Park, Cebu City (7th, 8th and 9th Floors)

Under the Supplemental Agreement (SA) dated February 26, 2015, the PEZA approved a new non-pioneer project located at 7th and 8th Floor, EBLOC Tower 3, Cebu IT Park, Cebu City. The Subsidiary amended the SA dated August 17, 2015 to include the Subsidiary's application for its additional sales, customer, technical and shared service support activities at the 9th floor EBLOC Tower 3. On March 7, 2016, the entitlement to the 4-year ITH was validated and confirmed/approved.

The Subsidiary started its commercial operations on April 1, 2015 and enjoyed the ITH up to March 31, 2019.

On September 05, 2019, PEZA approved the Subsidiary's application for ITH extension based on Net Foreign Exchange Earnings (NFEE) criterion in accordance with EPZA (now PEZA) General Circular No. 94-001 and Rule XV, Section 6, Paragraph A (6) of the PEZA Rules. The ITH extension covered the period of April 1, 2019 to March 31, 2020. On June 7, 2020, the Subsidiary received a cortication from PEZA that it has filed an application for the extension of ITH covering the period from April 1, 2020 to March 31, 2021. The Company received a Certification from PEZA of its entitlement to 5% GIT on December 31, 2021.

EBLOC Tower 3, Cebu IT Park, Cebu City (6th Floor)

Under Supplemental Agreement (SA) dated July 23, 2019, the PEZA approved the Subsidiary's expansion project on sales support, customer support, technical support and shared service located at 6th Floor, EBLOC Tower 3, Cebu IT Park, Cebu City. On April 22, 2020, PEZA approved the date of Start of Commercial Operation (SCO) of its expansion project which gave the Subsidiary an ITH entitlement from September 1, 2019 to August 31, 2022. The Subsidiary is still waiting for the approval of its ITH Certificate of Entitlement from PEZA. The Company received a Certification from PEZA of its entitlement to ITH on December 31, 2021.

Filinvest Cebu, Cyberzone Tower 2, Cebu City (14th, 15th, 16th and 17th Floors)

Under Supplemental Agreement (SA) dated July 23, 2019, the PEZA approved the Subsidiary's application for registration of new activity, particularly to engage in sales support, customer support, technical support and shared services at the 14th, 15th, 16th and 17th Floors of Filinvest Cebu Cyberzone Tower 2. The Subsidiary is still waiting for the approval of its SCO and its ITH Certificate of Entitlement from PEZA. The Subsidiary received a Certification from PEZA of its entitlement to ITH on December 31, 2021.

Under Supplemental Agreement (SA) dated October 28, 2021, the PEZA approved the Subsidiary request for expansion project in providing sales support, customer support, technical support, back-end support, shared services at the 10th ,11th & 12th Floors, Filinvest Cebu Cyberzone. The Subsidiary received a Certification from PEZA of its entitlement to ITH on December 31, 2021. On June 16, 2022, the PEZA approved the Subsidiary request for extension of operations

to add 9th floor Filinvest Cebu Tower 2 to the existing SA for 10th, 11th & 12th floor Filinvest Cebu Tower 2. Operations on the 9th floor will be covered by the same incentives under SA dated October 28, 2021.

Under Supplemental Agreement (SA) dated October 10, 2022, the PEZA approved the Subsidiary request for its expansion activity, specifically to engage in providing sales support, customer support, technical support, back end support, shared services at the 18th Floor, Filinvest Cebu Cyberzone Tower 2, Filinvest Cebu Cyberzone, Salinas Drive Cor. W. Geonzon St., Barangay Apas, Lahug, Cebu City. The Subsidiary's expansion project is entitled to three (3) years Income Tax Holiday (ITH) on incremental sales. The income qualified shall be limited to the income directly attributable to the eligible revenue generated from the approved project. After the lapse of ITH, the Company is subject to a 5% Gross Income Tax (5% GIT) for 10 years. Thereafter, the Registrant shall pay the Regular Corporate Income Tax (RCIT) for the approved project.

PEZA Registration of Orchid Cybertech Services Incorporated (OCSI)

Ortigas Technopoint One, Dona Julia Vargas Avenue, Ortigas Center, Ugong, Pasig City (2nd Floor)

On November 30, 2004, the Subsidiary was registered with Philippine Economic Zone Authority (PEZA) as an Ecozone IT enterprise. The Subsidiary is entitled to incentives granted to non-pioneer projects under Republic Act (RA) 7916, the Special Economic Zone Act of 1995, as amended, and the PEZA IT Guidelines, which include a 4-year corporate Income Tax Holiday (ITH) for the original project in the eCommerce Plaza Building effective from the date of start of commercial operations. After the lapse of ITH, the Subsidiary is subject to a 5% Gross Income Tax (5% GIT) incentive, in lieu of all national and local taxes.

Effectively after the lapse of its Income Tax Holiday, the Subsidiary shall be subject to preferential income tax rate of 5% on its gross income from registered activity.

Non-PEZA Registered Activity started operation on April 16, 2017. Results of operations on this activity is taxable on regular income tax rate or MCIT as applicable based on existing rules and regulations.

On September 2, 2022 the Subsidiary received the Certificate of Entitlement of Tax Incentives (CETI) from PEZA for the taxable year July 31, 2022 on its call center operations conducted in the following buildings, Orient Square IT Building (OSB), I-Square Building - IT Building (ISQ), Cyberspace BETA (BETA), Robinsons Equitable Tower (RET), and at the 2nd Flr., Ortigas Technopoint One, Ortigas Technopoint 1&2 (OTO). The CETI provides for a Special Corporate Income Tax Rate for its PEZA registered activities for the said fiscal year. The Subsidiary, however opted not to avail the special corporate income tax rate for the income generated in OTO and subjected the said income to Regular Income Tax as prescribed in the CREATE Law.

On December 28, 2022 the Board of Investments (BOI) pursuant to Executive Order No. 226, otherwise known as the Omnibus Investment Code of 1987, as amended, Title XIII of the National Internal Revenue Code of 1997, as amended by Republic Act No. 11534, or the Corporate Recovery Tax Incentives for Enterprises (CREATE) Act, and Fiscal Incentives Review Board Resolution No. 026-22 has duly registered and granted the following incentives to the Subsidiary until April 11, 2031: (a) 5% Tax on Gross Income Earned; (b) Duty Exemption; and (c) VAT Exemption and Zero rating. Provided that, the Subsidiary is subject to the representations and commitments set forth in its application for registration to PEZA on its remaining incentives.

For the period ending March 31, 2025, all activities of the Company are PEZA-Registered.

Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act.

CREATE is an act reforming the corporate income tax and incentives system, amending for the purpose certain sections of Internal Revenue Code of 1997, as amended, and creating therein new title XIII, and for other purposes.

On March 26, 2021, the President of the Philippines has approved the CREATE Act, with nine (9) provisions vetoed by the President.

For investments prior to effectivity of CREATE: RBEs granted only an ITH - continue with the availment of the ITH for the remaining period of the ITH. RBEs granted an ITH + 5% GIT or currently enjoying 5% GIT - allowed to avail of the 5% GIT for 10 years.

The regular corporate income tax of the Group will be lowered from 30% to 25% for large corporations on which the Group would qualify effective July 1, 2020.

20. Financial Risk Management

Financial Risk Management Objectives and Policies

The main purpose of the Group's financial instruments is to fund the Group's operations and to acquire and improve property and equipment. The main risks arising from the use of financial instruments are credit risk, liquidity risk and market risk which includes interest rate risk and foreign currency risk. These are summarized below and in succeeding pages.

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities.

With respect to credit risk arising from the Group's financial assets, which comprise of cash and cash equivalents, trade receivables and refundable deposits, the Group's exposure to credit risk arises from default of the counterparty with a maximum exposure equal to the carrying amount of these Instruments.

The Group controls this risk through monitoring procedures and regular coordination with the debtors. Receivable balances are monitored on an ongoing basis with the result that its exposure to bad debts Is not significant.

The table below presents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained:

	Note	2025	2024
Cash in banks and time deposits	6	**P894,547,489**	P811,292,441
Trade receivables	7	**1,375,605,623**	1,007,436,046
Refundable deposits	11	**82,782,854**	85,783,665
		P2,352,935,966	P1,904,512,152

**Excluding Cash on hand amounting P492,528 and P591,155 as at March 31, 2025 and 2024, respectively.*

The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

ECLs are a probability-weighted estimate of credit losses (i. e. the present value of all cash shortfalls) over the expected life of the financial instrument.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for Recognizing Expected Credit Losses
Performing	The counterparty has a low risk of default and does not have anv past-due amounts	Lifetime ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition	Lifetime ECL- not credit- impaired
In default	Amount is >90 days past due or there is evidence indicate in the asset is credit-impaired	Lifetime ECL- credit- impaired
Write-off	There is evidence indication that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written-off

The following table details the credit quality of the Group's financial assets and other items, as well as the Group's maximum credit exposure to credit risk by credit risk rating grades as at March 31, 2025 and 2024:

2025	Note	Internal Credit Rating	12 Months Lifetime ECL	Gross Carrying Amount	Less Allowance	Net Carrying Amount
Cash in banks and time deposits	6	Performing	12 Month ECL	**P894,547,489**	**P-**	**P894,547,489**
Trade receivables	7	Performing	Lifetime ECL	**1,375,605,623**	**-**	**1,375,605,623**
Refundable deposits	11	Performing	12 Month ECL	**110,050,483**	**27,267,629**	**82,782,854**
				P2,380,203,595	**P27,267,629**	**P2,352,935,966**

**Excluding Cash on hand amounting P492,528 and P591,155 as at March 31, 2025 and 2024, respectively.*

2024	Note	Internal Credit Rating	12 Months Lifetime ECL	Gross Carrying Amount	Less Allowance	Net Carrying Amount
Cash in banks and time deposits	6	Performing	12 Month ECL	**P811,292,441**	**P-**	**P811,292,441**
Trade receivables	7	Performing	Lifetime ECL	**1,007,436,046**	**-**	**1,007,436,046**
Refundable deposits	11	Performing	12 Month ECL	**P113,051,294**	**27,267,629**	**85,783,665**
				P1,931,779,781	**P27,267,629**	**P1,904,512,152**

**Excluding Cash on hand amounting P492,528 and P591,155 as at March 31, 2025 and 2024, respectively.*

For trade and other receivables, the Group has applied the simplified approach in PFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the ECL on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix.

Liquidity Risk

Liquidity is the risk arising from the shortage of funds due to unexpected events or transactions.

The Group seeks to manage its liquidity profile to be able to finance its capital expenditures and operations. The Group maintains a level of cash deemed sufficient to finance operations. To cover its financing requirements, the Group obtains advances from its related parties, when necessary. As part of its liquidity risk management, the Group regularly evaluates its projected and actual cash flows.

The table below summarizes the maturity profile of the Group's financial assets and liabilities as at March 31, 2025 and 2024 on undiscounted contractual cash flows.

2025	Note	On Demand	Due Within 30 Days	Due Within 1 Year	Due Beyond 1 Year but not More than 5 Years	Total
Trade and other payables*	12	**P81,708**	**P126,721,978**	**P172,334,583**	**P-**	**299,138,269**
Lease liabilities**	17			**203,314,784**	**726,860,504**	**930,175,288**
		P81,708	**P126,721,978**	**P201,761,736**	**P657,791,888**	**1,101,400,441**

**Excluding non-financial liabilities amounting to P58,553,311*

2024	Note	On Demand	Due Within 30 Days	Due Within 1 Year	Due Beyond 1 Year but not More than 5 Years	Total
Trade and other payables*	12	P21,779,556	P263,067,041	P-	P-	P284,846,597
Lease liabilities**	17			160,935,642	685,869,293	846,804,935
		P21,779,556	P263,067,041	P201,655,001	P811,835,896	P1,131,651,532

**Excluding non-financial liabilities amounting to P64,945,056*

Interest Rate Risk

Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The primary source of the Group's interest rate risk relates to cash in banks and lease liabilities. The interest rates on these assets is disclosed in Notes 6 and 17.

The Group has a policy in place in managing interest rate risk and is monitored on an ongoing basis.

Foreign Currency Risk

Foreign exchange risk arises when an investment's value changes due to variations in the currency exchange rate. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities that are denominated in a currency that is not the Group's functional currency. The Group undertakes certain transactions denominated in Philippine Peso. Hence, exposures to exchange rate fluctuations arise with respect to such transactions.

Significant fluctuation in the exchange rates could significantly affect the Group's financial position. The Group has a policy in place in managing foreign currency risk and is monitored on an ongoing basis.

The carrying amounts of the Group's foreign currency-denominated monetary assets at the end of each reporting period are as follows:

	2025	2024
Cash and cash equivalents	**204,835,081**	P247,188,695
Trade receivables	**1,375,605,623**	1,007,436,046
Net exposure	**P1,580,440,704**	P1,254,624,741

The following table details the Group's sensitivity to a 4% increase and decrease in both years the functional currency of the Group against the relevant foreign currencies. The sensitivity rates used in reporting foreign currency risk internally to key management personnel is 4% in both years which represent Management's assessment of the reasonably possible change in foreign exchange rates based on historical trends. The sensitivity analysis includes all of the Group's foreign currency denominated monetary assets and liabilities. A positive number below indicates an increase in profit and other equity when the functional currency of the Group's weakens 4% in both years against the relevant currency. For a 4% in both years strengthening of the functional currency of the Group against the relevant currency, there would be an equal and opposite impact on the profit and other equity and the balances below would be negative.

	Effect on Income for the Year	
	2025	2024
Cash and cash equivalents	**P8,165,698**	P9,887,548
Trade receivables	**55,468,977**	40,297,442
	P63,634,675	P50,184,990

The above sensitivity analysis is applicable in determining the effect on equity of the changes in foreign exchange rates.

In Management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

21. Fair Value Information

The fair value of the Group's financial assets and liabilities:

	Note	2025		2024	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets					
Cash and cash equivalents*	6	**P894,547,489**	**P894,547,489**	P811,292,441	P811,292,441
Trade receivables	7	**1,375,605,623**	**1,375,605,623**	1,007,436,046	1,007,436,046
Refundable deposits	11	**82,782,854**	**82,782,854**	85,783,665	85,783,665
		P2,352,935,966	**P2,352,935,966**	P1,904,512,152	P1,904,512,152
Financial Liabilities					
Trade and other payables**	12	**P299,138,269**	**P299,138,269**	P284,486,597	P284,486,597
Lease liabilities	17	**930,175,288**	**930,175,288**	846,804,935	846,804,935
		P1,228,656,057	**P1,228,656,057**	P1,131,291,532	P1,131,291,532

**Excluding cash on hand amounting to P492,528 and P591,155 as at March 31, 2025 and 2024, respectively.*

***Excluding non-financial liabilities amounting to P58,553,311 and P64,495,056 as at March 31, 2025 and 2024, respectively.*

The difference between the carrying amount of trade and other receivables and trade and other payables disclosed in the consolidated statements of financial position and the amount disclosed in this note pertains to other receivable, advances to suppliers and employees and government payables, respectively, since these are not considered as financial assets or liabilities.

The following summarizes the major methods and assumptions used in estimating the fair values of financial instruments:

Cash and Cash Equivalents, Trade and Other Receivables and Trade and Other Payables

The carrying amounts of approximate their fair values due mainly to the relatively short-term maturities of these financial instruments.

Refundable Deposits

The carrying amount approximates it fair value as the effect of discounting is not considered material.

Lease Liabilities

The carrying amount approximates its fair value because the difference between the interest rate of this instrument and the prevailing market rate for a similar instrument is not considered significant.

22. Capital Risk Management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business, maximize shareholder value, maintain various stakeholders' confidence and sustain future development of the business. The Group manages its capital structure and makes adjustments to these ratios in light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may issue stock dividend to shareholders, return or issue capital. No significant changes have been made in the capital management approach as they have been applied in previous years. The Group has not been subjected to externally imposed capital requirements. No major changes were made in the objectives, policies and procedures in 2025 and 2024.

The Group considers the following as its capital:

	2025	2024
Share capital	**P9,500,000**	P9,500,000
Additional paid-in capital	**156,044**	156,044
Retained earnings	**1,974,296,502**	1,604,533,211
Cumulative remeasurement gain on retirement benefits	**143,960,484**	104,997,352
	P2,127,913,030	P1,719,186,607

The debt to equity ratio at year-end was as follows:

	2025	2024
Debt	**P1,465,010,626**	P1,358,682,450
Equity	**2,127,913,030**	1,719,186,607
	0.69:1	0.79:1

TECH MAHINDRA ARABIA LIMITED

(A Limited Liability Company)
Unaudited Financial Statements
for the year ended 31st March 2025

Board of Directors
Mr. Ramachandran Satyamurthi Ramachandran
Mr. Ayan Chatterjee
Mr. Murtuza Adil
Mr. Srinivas Reddy Bandam
Mr.Mohammed Ahmed Mohammed Al Baadi

Registered Office
Al - Hugyat Towers, 12th Floor, Al Khobar 31952,
Kingdom of Saudi Arabia.

Bankers
Alinma Bank
The Saudi Awwal Bank

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

(Expressed in Saudi Arabian Riyals)

	Notes	2025	2024
ASSETS			
Current assets			
Cash and cash equivalents	4	**52,990,735**	29,386,240
Trade receivables and unbilled revenue	5	**89,999,321**	89,247,595
Due from related parties	6	**48,000**	-
Prepayments and other current assets	7	**4,218,050**	4,668,372
Total current assets		**147,256,106**	123,302,207
Non-current assets			
Property and equipment	8	**534,129**	985,767
Deferred tax assets	9	**1,297,549**	934,735
Total non-current assets		**1,831,678**	1,920,502
TOTAL ASSET		**149,087,784**	125,222,709
LIABILITIES AND EQUITY			
Current liabilities			
Trade payables		**777,659**	902,369
Due to related parties	6	**35,370,166**	51,212,370
Accrued expenses and other current liabilities	10	**16,159,686**	23,938,709
Provision for Zakat and income tax	9	**8,156,711**	1,58,278
Total current liabilities		**60,464,222**	76,211,726
Non-current liabilities			
Employees' benefits	11	**1,821,310**	1,159,254
Total non-current liabilities		**1,821,310**	1,159,254
Total liabilities		**62,285,532**	77,370,980
Equity			
Share capital	12	**1,000,000**	1,000,000
Statutory Reserves		**1,503,017**	1,503,017
General Reserve		**10,854,515**	-
Retained earnings		**73,444,720**	45,348,712
Total equity		**86,802,252**	47,851,729
TOTAL LIABILITIES AND EQUITY		**149,087,784**	125,222,709

These financial statements along with notes 1 to 19 were approved by the Board of Directors of the Company on 12-June-2025 and signed on its behalf by:

Ayan Chatterjee
Director

Mohmaad AlBaadi
Director

The accompanying notes (1) through (19) form an integral part of these financial statements.

TECH MAHINDRA ARABIA LIMITED
(A LIMITED LIABILITY COMPANY)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

(Expressed in Saudi Arabian Riyals)

	Note	2025	2024
Revenue		**181,564,670**	158,488,808
Cost of revenue	13	**(124,494,427)**	(134,032,665)
Gross profit		**57,070,243**	24,456,143
General and administrative expenses	14	**(1,367,010)**	(3,869,116)
Selling expenses	15	**(8,570,652)**	(6,925,044)
Other Income		**419,060**	27,677
Other expenses		**(329,665)**	(23,968)
Profit before Zakat and income tax		**47,221,976**	13,665,692
Zakat and income tax expense	9	**(7,762,786)**	(2,071,361)
Profit after Zakat and income tax		**39,459,190**	11,594,331
Other comprehensive income / (loss)			
Re-measurement loss on defined benefit plan	11	**(635,834)**	(244,046)
Tax impact on above		**127,167**	-
Other comprehensive loss for the year		**(508,667)**	(244,046)
Total comprehensive income for the year		**38,950,523**	11,350,285

The accompanying notes (1) through (19) form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

(Expressed in Saudi Arabian Riyals

	Share capital	Statutory Reserve	General Reserve	Retained earnings	Total
Balance as of 31 March 2023	1,000,000	1,503,017	-	33,998,427	36,501,444
Profit for the year	-	-	-	11,594,331	11,594,331
Other Comprehensive loss	-	-	-	(244,046)	(244,046)
Total comprehensive income for the year	-	-	-	11,350,285	11,350,285
Balance as of 31 March 2024	**1,000,000**	**1,503,017**	**-**	**45,348,712**	**47,851,729**
Profit for the year	-	-	-	39,459,190	39,459,190
Other comprehensive loss	-	-	-	(508,667)	(508,667)
Transfer to reserve (Note 1 below)	-	-	10,854,515	(10,854,515)	-
Total comprehensive income for the year	-	-	10,854,515	28,096,008	38,950,523
Balance as of 31 March 2025	**1,000,000**	**1,503,017**	**10,854,515**	**73,444,720**	**86,802,252**

Note: 1 – As per the shareholder's agreement dated 01st February 2024 the Company shall set aside a reserve of 30% of the net profits (after taxes) of the Company noting that such net income shall exclude any net income generated by the Company from Neom. Accordingly calculation of general reserve has been made.

The accompanying notes (1) through (19) form an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

(Expressed in Saudi Arabian Riyals)

	Note	2025	2024
Cash flows from operating activities:			
Profit before Zakat and income tax		**47,221,976**	13,665,692
Adjustments for:			
Provision for doubtful debts	5	**(1,389,428)**	1,279,595
Depreciation	8	**457,430**	413,443
End of service benefits	11	**428,333**	306,523
		46,718,311	15,665,253
Changes in operating assets and liabilities:			
Trade receivables and unbilled revenue		**589,702**	10,181,664
Prepayments and other current assets		**450,322**	276,361
Trade payables		**(124,711)**	(466,239)
Due to related parties		**(15,842,204)**	(2,960,050)
Accrued expenses and other current liabilities		**(7,779,022)**	(16,716,350)
Cash generated from operation activities		**24,012,399**	5,980,639
End of service payments	11	**(402,111)**	(194,228)
Tax payments		**-**	(6,071,093)
Net cash generated from operating activities		**23,610,288**	(284,682)
Cash flows from investing activities:			
Additions to property and equipment	8	**(5,792)**	(1,192,454)
Net Cash used in investing activities		**(5,792)**	(1,192,454)
Net movement in cash and cash equivalents		**23,604,495**	(1,477,136)
Cash and cash equivalents at beginning of the year		**29,386,240**	30,863,376
Cash and cash equivalents at end of the year	4	**52,990,735**	29,386,240

The accompanying notes (1) through (19) form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(Expressed in Saudi Arabian Riyals)

1 CORPORATE INFORMATION

Tech Mahindra Arabia Limited (the "Company") is a limited liability Company registered in the Kingdom of Saudi Arabia under Commercial Registration number 2051061101 dated 16 Dhul-al-Qa'dah 1436H (corresponding to 31 August 2015G). The Unified number of the Company is 7009375622. The Company's principal activity is to provide services of application development and management, network services, business process outsourcing, information technology-enabled services, system integration, IT networking, IT security and supply of products (hardware, software and structured cabling).

The Company's registered office is in Al Khobar, Kingdom of Saudi Arabia.

2 BASIS OF PREPARATION

a) *Statement of compliance*

These financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium Sized Entities ("IFRS for SMEs") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Chartered and Professional Accountants ("SOCPA").

b) Basis of measurement

The accompanying financial statements have been prepared under the historical cost convention on the accrual basis of accounting except otherwise stated in notes to the financial statements.

c) Going concern

The Company's management has assessed its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable 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, the financial statements continue to be prepared on the going concern basis.

d) Functional and presentation currency

These financial statements are presented in Saudi Arabian Riyals (SAR), which is the functional and reporting currency of the Company.

e) Significant accounting estimates and assumptions

The preparation of financial statements in conformity with IFRS for SMEs as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by SOCPA requires the use of certain critical estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or Cash Generating Unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arms' length for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the

budget and marketing terms forecast for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is most sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

ii. Useful lives and residual values of property and equipment

The management determines the estimated useful lives and residual values of property and equipment for calculating depreciation. These estimates are determined after considering expected usage of the assets and physical wear and tear. Management reviews the residual values and useful lives annually and change in depreciation charges, if any, are adjusted in current and future periods.

iii. Provision for impairment of trade receivables.

A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the agreement. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators of objective evidence that the trade receivable is impaired. For significant individual amounts, assessment is made on an individual basis. Amounts which are not individually significant, but are overdue, are assessed collectively and a provision is recognized considering the length of time and past recovery rates.

iv. Zakat and income tax

The Company is subject to income tax to the extent of foreign shareholding and Zakat to the extent of the GCC shareholders in accordance with the Zakat, Tax and Customs Authority ("ZATCA") regulations. Income taxes and Zakat are provided on an accrual basis. Income tax and Zakat computation involves relevant knowledge and judgment of the Zakat and income tax rules and regulations to assess the impact of income tax and Zakat liability at a particular period end. This liability is considered an estimate until the final assessment by ZATCA is carried out until which the Company retains exposure to additional Zakat and income tax liability.

v. Provision and contingencies.

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non-occurrence of the uncertain future events.

vi. Employees' benefits

The cost of defined benefit and the present value of the related obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, withdrawal before normal retirement age, mortality rates etc. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, yield and duration of Saudi government bonds obligation with at least an 'A' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation, is considered. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are removed from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality bonds.

Age-wise "moderate" withdrawal rates are used in carrying out the valuation. These age-wise withdrawal rates are generally used in the MENA region to carry out the actuarial valuation of end of service benefit (EOSB) schemes.

The rates assumed are based on the WHO SA16 – 75% ultimate mortality tables, rated down one year. In the absence of any standard mortality tables in the region, these rates are generally used in Kingdom of Saudi Arabia in carrying out the actuarial valuation of EOSB schemes. If any other mortality table is used it will not make any significant difference in the results.

vii. Revenue

As part of application of percentage of completion method on long term contracts, the cost to complete the project is estimated. The stage of completion is measured by calculating the proportion that costs incurred to date bear to the estimated total costs of contracts. Such estimates are reviewed at regular intervals. Any subsequent changes in the estimated cost to complete may affect the results of the subsequent periods.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in the financial statements except otherwise stated:

a) Cash and cash equivalents

Cash and cash equivalents comprise of cash with banks and other short-term highly liquid investments, if any, with original maturities of three months or less, which are available to the Company without any restrictions.

b) Trade receivables

Trade receivables are carried at original invoice amount less provision for doubtful debts. A provision against doubtful debts is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Such provisions are charged to the statement of comprehensive income and reported under “General and administrative expenses”. When a trade receivable is uncollectible, it is written-off against the provision for doubtful debts. Any subsequent recoveries of amounts previously written-off are credited to the statement of comprehensive income.

c) Property and equipment

Property and equipment are stated at cost, less accumulated depreciation, and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the asset. All other expenditure is recognized as an expense in the statement of comprehensive income when incurred.

Depreciation is provided over the estimated useful lives of the assets using the straight-line method. The estimated useful lives of assets are as follows:

Asset category	Number of years
Furniture & fixtures	5
Office equipment	5
Machinery and equipment	5
Computer equipment	3

Gain and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment at the time of disposal and is recognized in the statement of comprehensive income.

d) Provisions and contingent liabilities

Provisions are recognized for liabilities of uncertain timing or amount, when the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, it carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

All possible obligations arising from past events 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 Company; or all present

obligations arising from past events but not recognized because: (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or (ii) the amount of the obligation cannot be measured with sufficient reliability; assessed at each financial position date and disclosed in the financial statements under contingent liabilities.

e) Trade payable and accruals

Liabilities are recognized for amounts to be paid for goods and services received, whether or not billed to the Company.

f) Employees' benefits

Employees' benefits required by Saudi Labor and Workman Law are accrued by the Company and charged to the statement of comprehensive income. The liability is calculated as a defined benefit obligation at the current value of the vested benefits to which the employee is entitled, should the employee leave at the reporting date. Benefit payments are based on employees' final salaries and allowances and their cumulative years of service, as stated in the laws of Saudi Arabia.

The liability or asset recognised in the statement of financial position in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit cost method.

The present value of the defined benefit obligation is determined by discounting the estimated future outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefit will be paid and that have terms approximating the terms of the related obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employees' benefit expense in the statement of comprehensive income.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in statement of comprehensive income. They are included in retained earnings / accumulated losses in the statement of comprehensive income and in the statement of financial position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of comprehensive income as past service costs.

g) Zakat and income taxes

In accordance with the regulations of the Zakat, Tax and Customs Authority ("ZATCA"), the Company is subject to income tax and Zakat. Provision for income tax and Zakat is charged to the statement of comprehensive income. Additional amounts payable, if any, at the finalization of final assessments are accounted for when such amounts are determined.

Deferred income tax is recognized on all major temporary differences between accounting income and taxable income during the year in which such differences arise and are adjusted when related temporary differences are reversed. Deferred income tax assets on carry-forward losses are recognized to the extent that it is probable that future taxable income will be available against which such carry-forward tax losses can be adjusted. Deferred income tax is determined using tax rate which has been enacted by the statement of financial position date and is expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

The Company withholds taxes on certain transactions with non-resident parties, including dividend payments to the shareholders, in the Kingdom of Saudi Arabia as required under the Saudi Arabian Income Tax Law.

h) Revenue recognition

Revenue is recognized to the extent of the following recognition requirements:

- it is probable that the economic benefits will flow to the Company,
- it can be reliably measured, regardless of when the payment is being made; and
- the cost incurred to date and expected future costs are identifiable and can be measured reliably.

Revenue is measured at the fair value of the consideration received or the contractually defined terms of payment. The specific recognition criteria described below must also be met before the revenue is recognized.

Revenue on long term contracts, where the outcome can be estimated reliably, is recognized under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by calculating the proportion that costs incurred to date bear to the estimated total costs of a contract. When the current estimate of total contract costs and revenues indicate a loss, provision is made for the entire loss on the contract irrespective of the amount of work done. Progress payments and advances received from customers in respect of contracts are deducted from the amount of contract work in progress and excess payments on contracts are shown as a liability.

Revenue recognized in excess of billings represents the value of work performed but not yet billed as at year-end. Billings in excess of revenue earned included in current liabilities represent the excess of amounts billed over the value of work performed at the year-end.

i) Foreign currency translation

Transactions denominated in foreign currencies are translated to Saudi Arabian Riyals at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to Saudi Arabian Riyals at the exchange rate ruling at that date. Exchange differences arising on translation are recognized in the statement of comprehensive income.

j) Expenses

Selling, general and administrative expenses include direct and indirect costs not specifically part of costs of revenue. Allocations between selling, general and administrative expenses and costs of revenue, when required, are made on a consistent basis.

k) Leases

Leases are classified as finance lease whenever the terms of the lease transfer substantially all of the risks and rewards of ownership to the Company as lessee. Other leases are classified as operating leases. Payments made under operating leases are recognized in the statement of comprehensive income over the terms of the lease.

l) Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets

Measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial investments, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Management determines the classification of the financial asset at the time of initial recognition.

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. For purposes of subsequent measurement financial assets are classified in four categories, financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial investments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the statement of financial position date which are classified as non-current assets. Loans and receivables comprise of loans, advances, deposits, prepayments, other receivables and cash and cash equivalents. After initial recognition, loans and receivables are measured at amortized cost using the effective interest rate method, less any impairment. Restructured/ rescheduled receivables are recorded at revised terms and conditions as approved by the management. Restructuring policies and practices are based on indicators or criteria which, indicate that payment will most likely continue.

Financial liabilities

Measurement

Financial liabilities are classified as financial liabilities at fair value through profit or loss or other financial liabilities, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs. The measurement of financial liabilities depends on their classification as financial liabilities at fair value through profit or loss or "other financial liabilities". The Company has not designated any financial liability as fair value through profit or loss.

The Company's financial liabilities include trade payable and other liabilities.

Derecognition

Financial assets are derecognised when the Company loses control of the contractual rights that comprise the financial assets. Financial liabilities are derecognised when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expires. On derecognition of a financial asset or financial liability, the difference between the carrying amount and the consideration received (and receivable) or paid (and payable) is recognised in the statement of comprehensive income.

4. CASH AND CASH EQUIVALENTS

	2025	2024
Bank balances	**24,235,754**	19,386,240
Short term deposit	**28,754,981**	10,000,000
	52,990,735	29,386,240

5. TRADE RECEIVABLES AND UNBILLED REVENUE

	2025	2024
Trade receivables	**63,405,377**	60,632,415
Unbilled revenue	**32,365,791**	30,820,203
Less: provision for doubtful debts	**(5,771,847)**	(7,161,275)
	89,999,321	84,291,343

Movement in provision for doubtful debts is as follows:

	2025	2024
Opening balance	**7,161,275**	5,881,680
Add: provision made during the year (Note 14)	**1,578,913**	1,279,595
Less: written off (Note 14)	**(2,968,341)**	-
Closing balance	**5,771,847**	7,161,275

Unbilled revenue includes revenue recognized in relation to work performed on contracts not billed as of the end of the reporting period and where services have been performed in accordance with the terms of respective contracts with customers.

6. RELATED PARTY TRANSACTIONS AND BALANCES

The related parties of Company comprise the shareholders, their related companies, Board of Directors and key management personnel. The Company enters into transactions with the related parties in the normal course of its business. These transactions normally include providing and receipt of services, expenses incurred by / on behalf of related parties and are entered into mutually agreed terms as approved by the Company's management, with the following entities.

Related party	Relationship
Midad Company Ltd, Kingdom of Saudi Arabia	Shareholder
Tech Mahindra Limited, India	Shareholder
Comviva Technologies Ltd, India	Other related party
Tech Mahindra (Americas) Inc, USA	Other related party
LCC Saudi Arabia Telecommunications Services Ltd	Other related party
LCC United Kingdom Limited, Saudi Arabia branch	Other related party

The following are details of significant related party transactions during the year:

Related party	Nature	2025	2024
Tech Mahindra Limited	Subcontract cost	**38,459,704**	52,899,089
	Expenses reimbursed	**(48,000)**	(4,956,252)
	Payments made	**(50,760,147)**	(52,172,838)
Comviva Technologies Ltd	Subcontract cost	**4,273,057**	5,707,297
	Payments made	**(7,216,911)**	(4,804,637)
	Withholding Tax	**-**	-
LCC Saudi Arabia Tele	Subcontract cost	**372,694**	-
Communications Services Ltd.	Payments made	**(387,884)**	-

The following is a summary of balances due from / due to related parties:

Due to related parties	2025	2024
Tech Mahindra Limited	**33,493,335**	45,793,778
Comviva Technologies Ltd	**1,836,087**	5,418,592
LCC Saudi Arabia TelecommunicationsServices Ltd.	**40,745**	-
	35,370,167	51,212,370
Due from related parties		
Tech Mahindra Limited (Note 5)	**48,000**	4,956,252

Compensation to key management personnel:

The remuneration of the directors, who are the key management personnel of the Company, was borne by the ultimate parent company and was not recharged to the Company.

Transfer pricing.

On 20 March 2024, the Board of Directors of Zakat, Tax, and Customs Authority (ZATCA) in the Kingdom of Saudi Arabia (KSA) approved the amendments to the Transfer Pricing Bylaws (TP Bylaws) to bring the following into effect: a) extend applicability of the Transfer Pricing (TP) provisions to Zakat paying entities; and b) introduced Advance Pricing Agreements (APA) provisions for Tax payers and Zakat payers and these amendments were subsequently approved by Ummul Qura on 14 April 2024. The amendments will be applicable for Financial Years (FYs) starting on or after I January 2025. Under these new requirements, Zakat paying entities will need to ensure that their transactions with related parties are priced at arm's length and will be required to submit a TP disclosure form and TP Affidavit with their Zakat returns along with other compliances as stipulated in the TP Bylaws. Currently management is assessing the impact of these amendments on transactions with related parties and will make necessary changes in policies, procedures, and agreements with its related parties to comply with the requirement of TP By-laws.

7. PREPAYMENTS AND OTHER CURRENT ASSETS

	2025	2024
Prepayments	**629,666**	2,290,576
Security deposits	**1,600,687**	1,534,086
Advances to employees	**206,481**	466,134
Others	**1,781,216**	377,576
	4,218,050	4,668,372

8. PROPERTY AND EQUIPMENT

Cost	Furniture & fixtures	Machinery and equipment	Office equipment	Computer equipment	Total
At 1 April 2024	478,452	252,655	34,020	1,794,680	2,559,807
Additions	24	-	5,768	-	5,792
At 31 March 2025	**478,476**	**252,655**	**39,788**	**1,794,680**	**2,565,599**
Accumulated depreciation					
At 1 April 2024	478,452	252,655	32,655	810,278	1,574,040
Charge for the year	-	-	1,252	456,178	457,430
At 31 March 2025	**478,452**	**252,655**	**33,907**	**1,266,456**	**2,031,470**
Carrying amount as at:					
31 March 2025	**24**	**0**	**5,881**	**528,224**	**534,129**
31 March 2024	0	0	1,365	984,402	985,767

Cost	Furniture & fixtures	Machinery and equipment	Office equipment	Computer equipment	Total
At 1 April 2023	478,452	252,655	34,020	602,226	1,367,353
Additions	-	-	-	1,192,454	1,192,454
At 31 March 2024	478,452	252,655	34,020	1,794,680	2,559,807
Accumulated depreciation					
At 1 April 2023	451,079	245,035	28,562	435,921	1,160,597
Charge for the year	27,373	7,620	4,093	374,357	413,443
At 31 March 2024	478,452	252,655	32,655	810,278	1,574,040
Carrying amount as at:					
31 March 2024	-	-	1,365	984,402	985,767

9. ZAKAT AND INCOME TAX

Zakat and income tax expenses for the year

	2025	2024
Income tax	**7,471,542**	1,568,929
Zakat	**526,891**	714,430
Deferred tax	**(362,814)**	(211,998)
	7,635,619	2,071,361

Some of these amounts have been adjusted in arriving Zakat charge for the year.

Income tax charge for the year ended 31 March 2025 and 2024 is based on the adjusted taxable income calculated on the portion of equity owned by a foreign shareholder.

a) Provision for Zakat and income tax

	2025			2024
	Zakat	Income tax	Total	Total
Balance at the beginning of the year	**904,051**	**(745,773)**	**158,278**	3,946,012
Charge for the year	**526,891**	**7,471,542**	**7,998,433**	2,283,359
Payment made during the year	**-**	**-**	**-**	(6,071,093)
Balance at the end of the year	**1,430,942**	**6,725,769**	**8,156,711**	158,278

The Company submitted its Zakat and income tax returns up to the year ended 31 March 2024 within the statutory deadlines and received the Zakat and income tax certificates. The Company has not received any assessments from Zakat, Tax and Customs Authority ("ZATCA") since its inception.

b) Deferred tax asset

	2025	2024
The balance comprises of temporary differences attributable to:		
Property and equipment	**82,644**	86,041
Employees' benefits and other provisions	**1,214,905**	848,694
	1,297,549	934,735

c) Movement in deferred tax assets

	2025	2024
Balance as at 1 April	**934,735**	722,737
Add: Credit for the year	**362,814**	211,998
Balance as at 31 March	**1,297,549**	934,735

10. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	2025	2024
Accrued expenses	**13,554,167**	13,324,492
Staff related accruals	**1,010,314**	301,658
Value added tax payable	**842,272**	955,174
Unearned Revenue	**8,073**	7,355,508
WHT Payable	**-**	1,704,102
Others	**744,861**	297,775
	16,159,687	23,938,709

11. EMPLOYEES' BENEFITS

The Company operates an approved unfunded employees' end of service benefits scheme / plan for its permanent employees. The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability and its components.

	2025	2024
Opening balance	**1,159,254**	802,913
Included in statement of comprehensive income		
Current service cost	**375,632**	268,410
Interest cost	**52,701**	38,113
	428,333	306,523
Actuarial loss on obligation	**635,834**	244,046
Benefits paid during the year	**(402,111)**	(194,228)
Closing balance	**1,821,310**	1,159,254

Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

	2025	2024
Discount rate	**5.00%**	5.50%
Salary increase rate	**3.00%**	3.00%

Sensitivity analysis

A sensitivity analysis for the discount rate and future salary change assumption on the EOSB obligation as at 31 March 2025 is shown in the table below:

	Impact on defined benefit obligation – Increase/(decrease)					
	31 March 2025			31 March 2024		
	Change in assumption	Increase in assumption	Decrease in assumption	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	**0.5%**	**(30,402)**	**31,622**	0.5%	(22,495)	23,377
Salary growth	**0.5%**	**32,133**	**(31,162)**	0.5%	23,882	(23,175)

Expected maturity analysis of undiscounted defined benefit obligation is as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years
Defined benefit obligation 31 March 2025	**576,729**	**341,994**	**11,66,709**	**1,686,496**
Defined benefit obligation 31 March 2024	225,781	275,293	1,019,354	1,554,413

The weighted average duration of defined benefit obligation as of 31 March 2025 was 3 years (31 March 2024: 3 years).

12. SHARE CAPITAL

As of 31 March 2025, and 2024, the share capital of the Company is divided into 1,000 shares of SR 1000 each and held as follows:

As at 31 March 2025

Name	Country	No. of shares	Value	% of Holdings
Tech Mahindra Limited	**India**	**800**	**8,00,000**	**80%**
Midad Company Ltd	**Kingdom of Saudi Arabia**	**200**	**200,000**	**20%**
		1,000	**1,000,000**	**100%**

As at 31 March 2024

Name	Country	No. of shares	Value	% of Holdings
Tech Mahindra Limited	India	510	510,000	51%
Midad Company Ltd	Kingdom of Saudi Arabia	490	490,000	49%
		1,000	1,000,000	100%

During the year Tech Mahindra Limited has acquired 29% stake from Midad Company Ltd by way of amendment to original shareholders agreement thereby increasing the shareholding from 51% to 80% and reducing the shareholding of Midad Company Ltd from 49% to 20%.

13. Cost Of Revenue

	2025	2024
Subcontractor Cost	**91,793,009**	115,972,442
Employees Related Cost	**24,858,594**	17,592,799
Travelling	**6,430,179**	-
Others	**1,412,645**	467,424
	124,494,428	134,032,665

14. GENERAL AND ADMINISTRATIVE EXPENSES

	2025	2024
Office expenses	**874,027**	204,900
Rent Expense	**580,868**	652,079
Depreciation (refer note 8)	**457,430**	413,443
Insurance	**645,683**	475,730
Legal and professional expenses	**1,038**	443,309
Travelling Expense	**-**	10,790
Bad debts expense (refer note 5)	**(1,389,428)**	1,279,595
Others	**197,392**	389,270
	1,367,010	3,869,116

15. SELLING EXPENSES

	2025	2024
Employees' related cost	**7,730,508**	5,509,304
Travelling Expense	**361,269**	788,301
Legal and professional	**-**	276,076
Insurance	**244,472**	162,796
Office expenses	**139,400**	38,239
Marketing Expense	**69,120**	110,100
Others	**25,883**	40,228
	8,570,652	6,925,044

16. COMMITMENTS AND CONTINGENCIES

Operating lease commitments – Company as lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to statement of comprehensive income on a straight-line basis over the period of the lease.

The operating lease payments represent rentals for office premises. Lease rentals are fixed and negotiated for an average term of one year.

	2025	2024
Payments under operating leases recognised as expenses during the year	**1,459,638**	652,079

Contingent liabilities

Bank guarantees

Bank Guarantees outstanding as at 31 March 2025 : SAR 1,534,086 (2024 : SAR 1,534,086)

The Company has no significant contingent liabilities as at 31 March 2025 (2024: Nil).

17. FINANCIAL INSTRUMENTS

Financial instruments carried on the statement of financial position include cash and cash equivalents, trade receivable and certain other current assets, trade payables, due to and due from related parties and certain other liabilities.

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable willing parties in an arm's length transaction. As these financial statements are prepared under the historical cost convention, differences may arise between the book values and the fair value estimates. Management believes that the fair values of the Company's financial assets and liabilities are not materially different from their carrying values.

Credit risk is the risk that one party will fail to discharge an obligation and may cause the other party to incur a financial loss. Cash and cash equivalents are placed with national banks with sound reputation. Trade and other receivables

are mainly due from local customers and related parties, which were stated at their estimated realizable values. The Company establishes a provision for doubtful receivables that reports its estimate of incurred losses in respect of trade and other receivables.

Currency risk is the risk that the value of a financial instrument may fluctuate due to changes in foreign exchange rates. The Company's transactions are principally in Saudi Riyals and United States Dollars. As US Dollar is pegged to Saudi Riyal, management believes that the impact of currency risk due to United States Dollar on the Company is not significant. The Company monitors the fluctuations in exchange rates and manages its foreign currency risk by monitoring the currency rate fluctuations on regular basis.

Interest rate risk is the exposures to various risks associated with the effect of fluctuations in the prevailing interest rates on the Company's financial position and cash flows. The Company is not exposed to interest rate risk.

Liquidity risk is the risk that an enterprise may encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from the inability to realize the values of financial assets at an amount close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available to meet the Company's future commitments.

18. SUBSEQUENT EVENTS

No adjusting event occurred after reporting date till the date of authorization of financial statements by Board of Directors which may have impact on the financial statements.

19. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved for issue by Board of Directors on June 12, 2025.

TECH MAHINDRA TECHNOLOGIES INC.

Board of Directors
Mr. Krishna Bala (Director & President & CEO)
Mr. Lakshmanan Chidambaram

Registered Office
251 Little Falls Drive,
Wilmington,
New Castle, Delaware, 19808, USA

India Branch Office
TMTC SEZ building,
C/o. Tech Mahindra Limited
Bahadurpally, Medchal District
Hyderabad, INDIA - 500043

Bankers
HSBC Bank, USA and INDIA
JPMC, USA.

HO Auditors
Chugh CPA's LLP,
California, USA

India Branch Auditors
M. Bhaskara Rao & Co.,
Chartered Accountants
Somajiguda, HYDERABAD – 500 082

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your directors present their Report together with the audited accounts of your Company for the year ended March 31, 2025.

For the year ended March 31	2025 US$	2024 US$
Income	**24,723,434**	18,241,591
Profit/(Loss) before tax	**8,062,430**	1,712,398
Profit/(Loss)after tax	**5,911,453**	1,200,464

Review of operations:

During the year under review, your company recorded an income of US$ 24,723,434 increase by 35.5% over the previous year income of 18,241,591. Profit after tax for the current year was increased to US$ 5,911,453 compared with previous year US$ 1,200,464.

On January11, 2017 the Company has established an international branch in India at Hyderabad and transactions for this branch are included in these consolidated financial statements.

Board:

During the year under review there is no change in the constitution of Board. The Board of Directors are Mr. Krishna Bala and Mr. Lakshmanan Chidambaram.

Dividend

For the Financial year under review, no recommendation for payment of dividend has been made.

Acknowledgements:

Your Directors gratefully acknowledge the contributions made by the employees towards the success of the Company. Your Directors also thank the customers, suppliers, bankers, State and Federal Government Authorities and the shareholder/s for the co-operation and assistance received from them.

Krishna Bala

President, Director and CEO

Date: May 26, 2025

INDEPENDENT AUDITORS

To the Board of Directors and Stockholders
of Tech Mahindra Technologies, Inc.

Opinion

We have audited the accompanying financial statements of Tech Mahindra Technologies, Inc., a Delaware corporation, which comprise the consolidated balance sheets as of March 31, 2025 and 2024, and the related consolidated statements of income, statements of income, stockholder's equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Tech Mahindra Technologies, Inc. as of March 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of India branch of Tech Mahindra Technologies, Inc., which statements reflect total assets of approximately $1,760,000 and $1,378,000, as of March 31, 2025 and 2024, respectively, and total revenues of approximately $1,843,000 and $NIL, respectively, for the years then ended. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for India Branch of Tech Mahindra Technologies, Inc., is based solely on the report of the other auditors.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 required to be independent of Tech Mahindra Technologies, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Tech Mahindra Technologies, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- 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 Tech Mahindra Technologies, Inc.'s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Tech Mahindra Technologies, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Chugh CPAs, LLP
Cerritos, CA
May 26, 2025

CONSOLIDATED BALANCE SHEETS MARCH 31, 2025 AND 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	**$1,272,421**	$2,435,648
Accounts receivable	**1,841,522**	2,227,231
Unbilled revenue	**3,378,646**	1,311,957
Prepaid expenses and other current assets	**3,237,679**	1,593,698
TOTAL CURRENT ASSETS	**9,730,268**	7,568,534
NON-CURRENT ASSETS		
Property and equipment, net	**82,848**	1,947
Due from related party	**3,146,150**	-
Deferred tax assets	**2,449,354**	1,871,461
Other assets	**4,265**	-
TOTAL NON-CURRENT ASSETS	**5,682,617**	1,873,407
TOTAL ASSETS	**$15,412,885**	$9,441,941
LIABILITIES AND STOCKHOLDER'S EQUITY		
CURRENT LIABILITIES		
Accounts payable	**$365,128**	$36,176
Accrued expenses and other liabilities	**2,255,945**	1,230,459
Provision for income taxes	**1,712,854**	2,000,643
TOTAL CURRENT LIABILITIES	**4,333,927**	3,267,279
LONG-TERM LIABILITIES		
Grants repayable	**269,201**	269,201
Other non-current liabilities	**239,182**	227,770
TOTAL LONG-TERM LIABILITIES	**508,383**	496,971
TOTAL LIABILITIES	**4,842,310**	3,764,249
Commitment and contingencies	**-**	-
STOCKHOLDER'S EQUITY		
Common stock, $0.01 par value *(1,000,000 shares authorized; 100,000 shares issued and outstanding)*	**1,000**	1,000
Additional paid – in-capital	**999,000**	999,000
Accumulated earnings	**9,622,828**	4,711,375
Accumulated other comprehensive loss	**(52,253)**	(33,683)
TOTAL STOCKHOLDER'S EQUITY	**10,570,575**	5,677,692
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	**$15,412,885**	$9,441,941

CONSOLIDATED STATEMENTS OF INCOME YEARS ENDED MARCH 31

	2025	2024
REVENUE	**$24,723,434**	$18,241,591
LESS: COST OF REVENUE	**(14,929,459)**	(15,803,378)
GROSS PROFIT	**9,793,975**	2,438,213
LESS: OPERATING EXPENSES		
Selling, general and administrative expenses	**(1,805,196)**	(905,266)
INCOME FROM OPERATIONS	**7,988,779**	1,532,947
OTHER INCOME/(EXPENSE)		
Other income/(expense)	**(17,477)**	2,475
Interest income	**91,128**	176,977
Net	**73,651**	179,451
INCOME BEFORE INCOME TAXES	**8,062,430**	1,712,398
LESS: PROVISION FOR INCOME TAXES		
Income tax - current	**2,660,271**	1,257,770
Income tax - deferred	**(577,894)**	(791,606)
Foreign tax	**68,600**	45,770
Total	**2,150,977**	511,934
NET INCOME	**$5,911,453**	$1,200,464

CONSOLIDATED STATEMENTS OF STOCKHOLDER'S EQUITY YEARS ENDED MARCH 31, 2025 AND 2024

	Common Stock		Additional Paid In Capital	Accumulated Earnings	Accumulated Other Comprehensive Income	Total Stockholder's Equity
	Shares	Amount				
Balance at March 31, 2023	**100,000**	**$1,000**	**$999,000**	**$7,510,911**	**$(8,524)**	**$8,502,387**
Dividend	–	–	–	(4,000,000)	–	(4,000,000)
Net income	–	–	–	1,200,464	–	1,200,464
Foreign currency translation adjustments	–	–	–	–	(25,159)	(25,159)
Remeasurement of defined benefit plan, net of tax		–	–	–	–	–
Balance at March 31, 2024	**100,000**	**1,000**	**999,000**	**4,711,375**	**(33,683)**	**5,677,692**
Dividend	–	–	–	(1,000,000)	–	(1,000,000)
Net income	–	–	–	5,911,453	–	5,911,453
Foreign currency translation adjustments	–	–	–	–	2,189	2,189
Remeasurement of defined benefit plan, net of tax		–	–	–	(20,759)	(20,759)
Balance at March 31, 2025	**100,000**	**$1,000**	**$999,000**	**$9,622,828**	**$(52,253)**	**$10,570,575**

CONSOLIDATED STATEMENTS OF CASH FLOWS YEARS ENDED MARCH 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$5,911,453**	$1,200,464
Adjustments to reconcile net income to net cash used in operating activities:		
Amortization and depreciation	**7,421**	10,792
Remeasurement of defined benefit plan	**(20,759)**	-
Foreign currency translation adjustments	**2,189**	(25,159)
Deferred tax	**(577,894)**	(791,606)
(Increase) decrease in assets:		
Account receivable	**385,709**	147,843
Unbilled revenue	**(2,066,689)**	193,585
Prepaid expenses and other current assets	**(1,643,981)**	(1,557,136)
Due from related party	**(3,146,150)**	-
Other assets	**(4,265)**	5,873
Increase (decrease) in liabilities:		
Accounts payable	**328,952**	(70,587)
Accrued expenses and other current liabilities	**1,025,486**	(1,314,948)
Provision for income taxes	**(287,789)**	1,405,409
Other non-current liabilities	**11,412**	189,506
NET CASH USED IN OPERATING ACTIVITIES	**(74,905)**	(605,964)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	**(88,322)**	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend	**(1,000,000)**	(4,000,000)
Net change in cash and cash equivalents	**(1,163,227)**	(4,605,964)
Cash and cash equivalents, beginning of year	**2,435,648**	7,041,612
Cash and cash equivalents, end of year	**$1,272,421**	$2,435,648
Supplementary disclosures:		
Income taxes paid	**$3,049,176**	$736,761

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2025 AND 2024

1. Nature of operations

Tech Mahindra Technologies Inc. the “Company” was incorporated as a Delaware corporation on September 28, 2000. The Company was formed to provide software development, professional engineering and information services. The Company is a wholly owned subsidiary of Tech Mahindra Limited (the parent company). On January 11, 2017, the Company has established an international branch in India, the transactions for this are included in these consolidated financial statements.

2. Summary of significant accounting policies

This summary of significant accounting policies of Tech Mahindra Technologies Inc. is presented to assist in understanding the Company’s consolidated financial statements.

Basis of presentation and consolidation

The consolidated financial statements are presented on the accrual method of accounting as prescribed by the generally accepted accounting principles (GAAP) in the United States of America. The consolidated financial statements include the foreign branch in India. All inter-company balances and transactions have been eliminated.

Use of estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

For the purposes of the statements of cash flows, cash and cash equivalents are defined as highly liquid investments with maturity dates of three months or less. Included in the cash equivalents is the certificate of deposits with original maturities greater than three months and remaining maturities less than one year.

Accounts receivable

The Company carries its accounts receivable at amortized cost, net of an allowance for credit losses. The allowance for credit losses reflects management’s estimate of expected credit losses over the remaining contractual life of the receivables, based on historical experience, current economic conditions, and reasonable and supportable forecasts.

Accounts are written off against the allowance when they are deemed uncollectible. Recoveries of accounts previously written off are recognized when received.

As of March 31, 2025 and 2024, the Company evaluated its accounts receivable and determined that no expected credit losses existed. Accordingly, no allowance for credit losses was recorded as of those dates.

Property and equipment

Property and equipment are recorded at cost less depreciation. Depreciation and amortization are computed using the straight-line method over useful lives, which range from 3 to 5 years. Leasehold improvements are amortized over the shorter of the useful life of the related assets or remaining lease term.

Depreciation expense for the years ended March 31, 2025 and 2024 amounted to $7,421 and $10,792, respectively.

Expenditures for maintenance and repairs which are not for permanent improvement, betterment or restoring property, are charged directly to appropriate operating accounts at the time the expense is incurred.

Impairment of long-lived assets

The Company is required, under current accounting standards to review the carrying value of its long-lived assets, whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. As of March 31, 2025, management has determined that no impairment exists. Accordingly, no adjustments have been made to the carrying values of long-lived assets.

Revenue recognition

The Company recognizes revenue in accordance with ASC 606, Revenue from Contracts with Customers. Revenue is recognized upon the transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive.

The Company earns revenue from software development and consulting services under time-and-material, fixed-price, and milestone-based arrangements.

- Time-and-material contracts: Revenue is recognized over time as services are performed. Amounts earned but not yet billed are recorded as unbilled revenue on the consolidated balance sheet.

- Fixed-price contracts: Revenue is recognized over time using the percentage-of-completion method based on input measures, as control transfers progressively. Related earned amounts not yet billed are recorded as unbilled revenue.

- Milestone Contracts: Revenue is recognized upon the achievement of contractually defined milestones, when control of the deliverable transfers to the customer. If services are performed but the milestone billing has not yet been triggered, the earned amounts are recorded as unbilled revenue.

The term unbilled revenue represents contract assets under ASC 606 and reflects amounts earned from customers that have not yet been invoiced as of the reporting date.

Transaction prices are allocated to distinct performance obligations based on their standalone selling prices, determined using observable prices or an expected cost-plus-margin approach. Variable consideration, such as volume discounts, is estimated and included only when it is probable that a significant reversal will not occur.

For the years ended March 31, 2025 and 2024, volume discounts were $12,000 and $122,160, respectively.

Contract modifications are accounted for based on whether they add distinct goods or services at standalone selling prices (as separate contracts) or require cumulative or prospective adjustments to the existing contract.

Contract assets and liabilities

A contract asset results when goods or services have been transferred to the customer, but payment is contingent upon a future event, other than the passage of time. The Company does not have any material unbilled receivable, therefore, does not have any contract assets. As of March 31, 2025 and 2024, total unbilled of $3,378,646 and $1,311,957, which refers to the revenue that was earned but not billed as of the end of the year.

The Company records contract liabilities to unearned revenue when the Company receives customer payments in advance of the performance obligations being satisfied on the Company's contracts. As of March 31, 2025 and 2024, unearned revenue amounted to $0 and $0, respectively.

Employee benefits

401(k) savings plan

The Company has established a defined contribution savings plan under Section 401(k) of the Internal Revenue Code, which covers substantially all employees who meet minimum age and services requirements and allows participants

to defer a portion of their annual compensation on a pre-tax basis. Company contributions to the plan may be made at the discretion of the Board of Directors. For the years ended March 31, 2025 and 2024, the Company did not make any contribution to the plan.

Gratuity

The India branch accounts for its gratuity liability, a defined retirement benefit plan covering eligible employees. The gratuity plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of the employment based on the respective employee's salary and the tenure of the employment. Liabilities with regard to a gratuity plan are determined based on the actuarial valuation carried out by an independent actuary as at the balance sheet date using the Projected Unit Credit method for the Company. Actuarial gains and losses are recognized in full in other comprehensive income and accumulated in equity in the period in which they occur. Effective April 1, 2023, there is no balance in the account as the employees eligible for this benefit were transferred to the parent company, thus gratuity account was transferred to the parent company. As of March 31, 2025, gratuity liability - current and non-current balances of the Company amounted to $2,635 and $24,427, respectively. There was no gratuity liability as of March 31, 2024.

Provident fund

The eligible employees of the India branch are entitled to receive the benefits of provident fund, a defined contribution plan, in which both employees and the branch make monthly contributions at a specified percentage of the covered employees' salary (currently at 12% of the basic salary) which are charged to the statement of income. The provident fund contributions are paid to the Regional Provident Fund Commissioner by the branch. The branch has no further obligations for future provident fund and superannuation fund benefits other than its annual contributions. For the year ended March 31, 2025, and 2024, contributions amounted to $23,618 and $0, respectively, were recorded, consistent with the preceding disclosures regarding gratuity.

Foreign currency

Foreign translation adjustments - The Company's other comprehensive income consists of foreign currency translation adjustments from the branch not using the U.S. dollar as its functional currency.

All assets and liabilities are translated using the exchange rate on the date of the balance sheet. Revenues, expenses, and net income are translated using prevailing on the date of the transaction. The foreign exchange adjustment that results from these translations appears in other comprehensive income.

Foreign currency transactions are recorded at exchange rates.

Foreign exchange gain and loss - Transaction gain and losses are included in net income which results from transactions denominated in a currency other than an its functional currency.

Leases

Pursuant to Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 842, Leases, the Company analyzes an arrangement to determine whether it contains a lease at inception. For those leases with a term greater than one year, the Company recognizes on the balance sheet at the time of lease inception or modification a right-of-use asset and a lease liability, initially measured at the present value of the lease payments over the lease term.

Lease costs are recognized in the statement of income over the lease term on a straight-line basis. The Company recognizes operating leases with a term of 1 year or less in the statement of income on a straight-line basis over the lease term.

Income taxes

The Company accounts for income taxes in accordance with the FASB ASC 740 (formerly SFAS No. 109, "Accounting for Income Taxes"), which requires an asset and liability approach to financial accounting and reporting of income taxes. Deferred income tax assets and liabilities are computed annually for differences between the financial statement and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future based on the enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowance is established when necessary to reduce deferred tax assets to the amount expected to be realized.

Financial Accounting Standards Board issued FIN 48 now known as ASC No. 740–10 “Accounting for Uncertainty in Income Taxes”, the Company adopted FIN 48, thereafter, recognizes the tax benefits from uncertain tax positions only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements from such positions are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement.

In evaluating the Company’s tax provisions and accruals, future taxable income, and the reversal of temporary differences, interpretations and tax planning strategies are considered. The Company believes their estimates are appropriate based on current facts and circumstances.

Subsequent events

The Company evaluated its consolidated financial statements for subsequent events through May 26, 2025, the date of the consolidated financial statements were issued. No material events have occurred since March 31, 2025 that require recognition or disclosure in the consolidated financial statements.

3. Risk and uncertainties

In the normal course of business, the Company maintains its cash balances in a financial institution, which at times may exceed federally insured limits. The Company has not experienced any losses in such account and believes it is not subject to any significant credit risk as all its deposits are maintained in a high-quality financial institution.

The Company operates in the computer industry. The fluctuations in information technology spending caused by market conditions or availability of qualified personnel to complete the projects may have significant effect on the profitability of the Company.

The Company may be exposed to currency risk which is the potential risk of loss from fluctuating foreign exchange rates related to its foreign transactions and foreign operations.

4. Advance for volume discounts

Advance for volume discounts represents amounts paid upfront to a single supplier in exchange for discounted pricing on future services. These amounts are recognized as assets and amortized on a straight-line basis over the periods benefited, which may vary depending on the terms of the discount arrangement.

The Company made an advance payment of $1,600,000 during the year ended March 31, 2024, to this supplier. This advance is being amortized on a straight-line basis over five years. Amortization of $346,667 was recognized during the year ended March 31, 2025, with the remaining balance of $1,253,333 as of that date.

In addition, the Company paid an additional $2,000,000 to the same supplier for further volume discounts, with amortization to begin in the next fiscal year. These advances are recorded in “Prepaid expenses and other current assets” and are amortized over the periods benefited, depending on the terms of the respective discount arrangements.

5. Related party transactions

The Company is wholly owned subsidiary of Tech Mahindra Limited, an India based company (parent company).

The Company has entered into professional service agreements with its parent company and subsidiaries of the parent company.

In addition, the Company through its Branch made contributions to Mahindra Educational Institutions (non-profit organization) which serve as the Corporate Social Responsibility (CSR) arm of Tech Mahindra.

Transactions based upon terms agreed between the parties during the years ended March 31, 2025 and 2024 are as follows:

	March 31, 2025	March 31, 2024
Services received/operating expense from:		
Tech Mahindra Americas, Inc.	**$8,63,644**	$9,90,025
(for other operating and reimbursable expenses)		
Tech Mahindra Limited	**588,869**	-
(for rent of the foreign branch)		
Mahindra & Mahindra Ltd	**1,198**	944
(for permitting use of MAHINDRA Trademark)		
	$14,53,711	$9,90,969
Services provided to:		
Tech Mahindra Limited	**$6,103,226**	$5,161,376
Contributions made towards CSR - India Branch		
Mahindra Educational Institutions	**$12,604**	$26,538

Related party accounts receivable and payable are included in the accounts receivable and accounts payable account, respectively. As at March 31, 2025 and 2024, related party receivable and payable are as follows:

	March 31, 2025	March 31, 2024
Accounts receivable		
Tech Mahindra Limited	**$3,50,361**	$4,47,451

	March 31, 2025	March 31, 2024
Accounts payable		
Tech Mahindra Limited	**$47,050**	$254
Tech Mahindra Americas, Inc.	**43,331**	35,177
	$90,381	$35,431

Due from related party

The Company participates in a cash pooling arrangement with a related party, Tech Mahindra Americas, Inc. (TMA), through a financial institution. Under this arrangement, the Company's daily closing cash balance is swept into TMA's pooling account, and any overdrawn balances are automatically funded by TMA. Transfers are processed daily through the bank's automated treasury system.

As of March 31, 2025, the Company's balance due from the related party related to the cash pooling arrangement was $3,138,007, with an additional $8,143 in interest receivable. For the year ended March 31, 2025, the Company recognized $51,233 of interest income from this arrangement.

6. Property and equipment, net

Property and equipment consisted of the following:

	March 31, 2025	March 31, 2024
Furniture and fixtures	**$49,521**	$49,521
Office equipment	**4,438**	4,438
Computers and equipment	**246,047**	157,725
Total	**300,006**	211,684
Less: Accumulated depreciation	**(217,158)**	(209,737)
Net	**$82,848**	$1,947

7. Software

The software pertains to the total costs of $449,987 incurred when the Company obtained a contract for the development of a commercial product beginning February 2017. Costs incurred by the Company were capitalized and reported as work in progress on the balance sheet as of March 31, 2020. During the year March 31, 2021, the Company began amortization when the product first became available for general release to customers. The annual amortization is computed using the straight-line method over the estimated economic life of the product of 3 years, as this amount is greater than amount based on the ratio of current revenue and total expected revenue.

	March 31, 2025	**March 31, 2024**
Software	**$449,987**	$449,987
Less: Accumulated amortization	**(449,987)**	(449,987)
	$-	$-

8. Major customers and subcontractors

Major customers

Accounts receivable balances are typically unsecured and are derived from revenues earned from customers. For the year ended March 31, 2025, the Company had three major customers (including the Company's parent company) which accounted for 90% and 92% of revenue and accounts receivable, respectively. For the year ended March 31, 2024, the Company had two major customers, one of which is the Company's parent company (See Note 5. Related party transactions). These two customers accounted for approximately 82% and 83% of revenue and accounts receivable, respectively.

Major subcontractors

For the year ended March 31, 2025, the Company had four major service providers which represent approximately 92% of the total subcontracting and 98% of accounts payable. For the year ended March 31, 2024, the Company had four major service providers which represent approximately 92% of the total subcontracting and 89% of accounts payable.

9. Accrued compensated absences

Employees of the Company are entitled to paid vacation and sick days depending on length of service and other factors. As at March 31, 2025 and 2024, the Company accrued a total of $217,390 and $227,780, respectively, of unused vacation and sick leave. This accrued compensated absence account is included in the accrued expenses and other liabilities account.

10. Employee benefits

	March 31, 2025	**March 31, 2024**
A. Current and Non-current breakup:		
Current liability	**$2,635**	$-
Non-current liability	**24,427**	-
Total Liability	**$27,062**	$-

B. Changes in defined benefit obligation:

	March 31, 2025	March 31, 2024
Defined benefit obligation (DBO) at the end of prior period	**$-**	$-
Current Service Cost	**3,081**	-
Interest cost on the DBO	**94**	-
Acquisitions (credit)/ cost	**7,965**	-
Actuarial (gain)/loss - experience	**20,759**	-
Benefits paid	**(4,837)**	-
DBO at end of current period	**$27,062**	$-

C. Expected benefit payments for the year ending :

	March 31, 2025	March 31, 2024
2026 (PY 2025)	**$2,719**	$-
2027 (PY 2026)	**3,510**	-
2028 (PY 2027)	**4,451**	-
2029 (PY 2028)	**7,976**	-
2030 (PY 2029)	**12,686**	-
2031 (PY 2030) - 2035 (PY 2034)	**55,876**	-
Total	**$87,218**	$-

D. Amounts recognized in statement of Profit & Loss:

	March 31, 2025	March 31, 2024
Current Service Cost	**$3,081**	$-
Net interest on net defined benefit liability / (asset)	**94**	-
Cost recognized in P&L	**$3,175**	$-

E. Amounts recognized in Other Comprehensive income (OCI):

	March 31, 2025	March 31, 2024
Net Gain/(Loss)	**$20,759**	$-
Cumulative (Gain)/ Loss Recognized via OCI at Prior Period End	**-**	-
Cumulative (Gain)/ Loss Recognized via OCI at Current Period End	**$20,759**	$-

F. The Principal Assumptions used for the purposes of the actuarial valuation as follows:

	March 31, 2025	March 31, 2024
Discount Rate(s)	**6.50**	-
Expected Rate(s) of salary increase		
Top Management	**4.00**	-
Middle Management	**4.00**	-
Other Staff	**8.00**	-

11. Grants repayable

In connection with the development of commercial product described in Note 7. Software, the Company has obtained a conditional funding contract. As per the contract, the Company will periodically receive funds up to a maximum of $270,000 and has to return the same with time value based on 5% of the gross sale value realized from marketing this product expected to be refunded over a period of 5 years after completion of development of product. As of March 31, 2025 and 2024, the outstanding grant repayable was $269,201 and $269,201, respectively.

12. Commitments

The Indian branch has submitted an appeal in response to a demand notice concerning its income tax for the assessment year 2020-2021 (financial year 2019-2020), and the appeal is currently being processed as of the date these consolidated financial statements were issued. The outcome of the appeal is still uncertain. The outstanding disputed tax amount is 543.64 lakhs (in Indian Rupee), which is approximately equivalent to $636,000. The Company has not recognized any provision for this amount in the financial statements.

13. Common stock

Each share of common stock is entitled to one vote. The holders of common stock are also entitled to receive dividends whenever funds are legally available and when declared by the Board of Directors, subject to the prior rights of holders of all classes of stock outstanding.

During the year ended March 31, 2025, the Company's Board of Directors declared and paid cash dividends totaling $1million. The dividends were paid at a rate of $10 per share on 100,000 shares of common stock outstanding.

During the year ended March 31, 2024, the Board of Directors declared and paid cash dividends totaling $4million, at a rate of $40 per share on 100,000 shares of common stock outstanding.

14. Income taxes

Deferred tax assets and liability consist of the following as of March 31, 2025 and 2024:

	March 31, 2025	**March 31, 2024**
Deferred tax assets		
Section 174 allowance	**$2,342,978**	$1,758,082
Depreciation & amortization	**48,811**	62,208
Vacation accrual	**57,565**	51,171
Total	**2,449,354**	1,871,461

	March 31, 2025	**March 31, 2024**
Deferred tax liabilities	**-**	-
Net	**2,449,354**	1,871,461
Less: valuation allowance	**-**	-
Deferred tax assets, net	**$2,449,354**	$1,871,461

Income tax (benefit)/expense consisted of the following as of March 31, 2025 and 2024:

	March 31, 2025	**March 31, 2024**
Current income tax		
Federal	**$2,010,723**	$930,711
State	**649,548**	327,059
	$2,660,271	$1,257,770
Deferred income tax (benefit)		
Federal	**$(423,226)**	$(592,922)
State	**(136,720)**	(208,357)
Foreign	**(17,948)**	9,673
	$(577,894)	$(791,606)

TECH mahindra

Tech Mahindra Limited

Registered Office:
Gateway Building, Apollo Bunder,
Mumbai 400 001, (Maharashtra) INDIA.

Corporate Office:
Plot No. 1, Phase - III,
Rajiv Gandhi Infotech Park,
Hinjewadi, Pune 411 057,
(Maharashtra) INDIA.

Tel: +91 20 4225 0000

www.techmahindra.com
investor.relations@techmahindra.com

www.sapprints.com