Subsidiary Annual Report
Volume – III
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*

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TECH MAHINDRA (NIGERIA) LIMITED

BOARD OF DIRECTORS:
Chief (Mrs.) Faidat Oreagba
Director, Nigerian

Mr. Ayan Chatterjee
Director, Indian

OFFICE ADDRESS:
3rd Floor, Coscharis Plaza, 68A Adeola Odeku Street, Victoria Island, Lagos.

COMPANY SECRETARY:
Probitas Partners, 20 Adetokunbo, Ademola Street, Victoria Island, Lagos, Nigeria.

INDEPENDENT AUDITORS:
Grant Thornton Nigeria (Chartered Accountants), 2A Ogalade Close, Victoria Island, Lagos.

BANKER:
Citibank Nigeria Limited

REPORT OF THE INDEPENDENT AUDITORS
THE MEMBERS OF TECH MAHINDRA NIGERIA LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Tech Mahindra (Nigeria) Limited (the "Company"),** which comprise of the statement of financial position as at **31 March 2025,** the statement of profit or loss, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position as at 31 March 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Financial Reporting Council of Nigeria (Amendment) Act 2023 and the provision of the Companies and Allied Matters Act 2020.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs).

Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), 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 directors are responsible for the other information. The other information comprises of the Report of the Directors, Financial Highlights, Statement of Directors' Responsibilities, Statement of Corporate Responsibility for Preparation of Financial Statements and Other National Disclosures which we obtained prior to the date of this report, which is expected to be made available to us after that date. Other information 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 an audit opinion or 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 on the other information obtained prior to the date of this auditor's report, 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. When we read the financial statement, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 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:

i) 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.

ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv) Conclude on the appropriateness of management's use of the going concern 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.

v) Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transaction 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.

Report on Other Legal and Regulatory Requirements

The "Fifth Schedule" of the Companies and Allied Matters Act, 2020 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

ii) In our opinion, proper books of account have been kept by the company; and

iii) The Company's Statement of Financial Position and Statement of Profit or Loss are in agreement with the books of account.

Uchenna Okigbo, FCA FRC/2016/PRO/00000015653

For: GRANT THORNTON (Chartered Accountants) Lagos, Nigeria.

Date: 3rd June, 2025

FINANCIAL HIGHLIGHTS

	2025 ₦'000	2024 ₦'000	Change %
Revenue	**13,983,016**	17,473,827	(19.98)
Loss before taxation	**(32,885,785)**	(8,773,385)	274.84
Taxation	**11,434,963**	(87,739)	(13,132.92)
Loss after taxation	**(21,450,822)**	(8,861,124)	142.08
Basic loss per share	**(140.16)**	(57.90)	142.08
Total assets	**28,148,182**	22,695,287	9.04
Total liabilities	**50,351,610**	25,349,484	98.63
Issued and fully paid share capital (Units)	**153,040,026**	153,040,026	-

Dividend payment was not declared during the year.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors submit their report together with the audited financial statements for the year ended 31 March 2025, which disclose the state of affairs of the company.

Legal Form

The company was incorporated in Nigeria under the Companies and Allied Matters Act 2020 (As amended) as a Private Limited Liability Company on August 18, 2009. It commenced full operation in January 2011.

Principal Activity

The principal activity of the Company is to provide global solution on information technology to various sector of the economy. It is engaged in directing, operating, managing, investing in or providing telecommunication, networking, communication, internet information and other information technology related services.

Changes in the Reporting Framework

The nature and effect of the changes as a result of adoption of the new accounting standards are described in the accompanying financial statements.

Several amendments and interpretations apply for the first time in 2025, but do not have a significant impact on the financial statements of the Company. The Company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

State of Affairs

In the opinion of the Directors, the state of the Company's affairs is satisfactory and no events have occurred since the reporting date, which would affect the financial statements as presented.

Directors

The directors who held office during the year and to the date of this report were:

Chief (Mrs.) Faidat Oreagba	Director
Mr. Ayan Chatterjee	Director

Director Shareholding

The direct and indirect interests of directors in the issued share capital of the Company as recorded in the register of director shareholding and/or as notified by the directors for the purposes of sections 301 of the Companies and Allied Matters Act 2020 are:

Chief (Mrs.) Faidat Oreagba	Director
Mr. Ayan Chatterjee	Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

	2025		2024	
Shareholders	**No. of Shares**	**% Holding**	**No. of Shares**	**% Holding**
Tech Mahindra Limited India	153,789,999	99.99%	153,789,999	99.99%
Milind Kurkani	1	0.01%	1	0.01%
	153,790,000	**100%**	**153,790,000**	**100%**

Directors' interest in contracts

For the purpose of section 303 of the Companies and Allied Matters Act 2020, none of the directors has notified the Company of any direct or indirect interest in contracts or proposed contracts with the Company during the year.

Parent and subsidiary Information

Parent company of the entity is Tech Mahindra Limited India.

Donations and Charitable Gifts

There were no donations made during the year.

Human Resources

Employment of disabled persons

The Company continues to maintain a policy of giving fair consideration to the application for employment made by disabled persons with due regard to their abilities and aptitudes. The Company's policy prohibits discrimination of disabled person in the recruitment, training and career development of its employees. In the event of members of staff becoming disabled, efforts will be made to ensure that their employment with the Company continues and appropriate training arranged to ensure that they fit into the Company's working environment.

Health, Safety and welfare at work

The Company enforces strict health and safety rules and practices at work environment, which are reviewed and tested regularly. The Company retains top-class private hospitals where medical facilities are provided for staff at the Company's expense.

Fire prevention and fire-fighting equipment are installed in strategic locations within the company's premises.

The Company operates both Group Personal Accident and contributing to the Nigeria Social Insurance Trust Fund in compliance with the requirements of Employees Compensation Act (ECA), 2010. It also operates a contributory pension plan in line with the Pension Reform Act, 2005.

Employee involvement and training

The company ensures, through various form, that employees are informed on matters concerning them. Formal and informal channels are also employed in communication with employees with an appropriate two-way feedback mechanism.

In accordance with the Company's policy of continuous development, training facilities are provided in the Company's training school. In addition, employees of the Company are nominated to attend both locally and internationally organized courses. These are complemented by on-the job training.

Independent Auditors

In accordance with Section 401(2) of the Companies and Allied Matters Act 2020, Messrs. Grant Thornton (Chartered Accountants) is appointed as Auditors to the Company having indicated their willingness to do so.

BY ORDER OF THE BOARD

Probitas Partners, 20 Adetokunbo,

Victoria Island, Lagos, Nigeria.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2025

The Companies and Allied Matters Act 2020 requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Company at the end of each financial year and its profit or loss. The responsibilities include ensuring that the Company:

- Keeps proper accounting records that disclose with accuracy, the financial position of the Company and comply with the requirement of the Companies and Allied Matters Act;

- Establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

- Prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates that are consistently applied.

The Directors accept responsibility for the interim financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with the International Financial Reporting Standards (IFRS), Financial Reporting Council Act 2023 and the Companies and Allied Matters Act 2020.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its profit or loss. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

Chief (Mrs.) Faidat Oreagba
Director

Mr. Ayan Chatterjee
FRC/2025/PRO/DIR/003/511428
Director

STATEMENT OF CORPORATE RESPONSIBILITY FOR PREPARATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

In line with the provision of Section 405 of the Companies and Allied Matters Act 2020, we have reviewed the audited financial statements of the Company for the year ended 31 March 2025 and based on our knowledge confirm as follows:

i) The audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading;

ii) The audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Company as of and for the year ended 31 March 2025;

iii) The Company's internal controls have been designed to ensure that all material information relating to the company is received and provided to the auditors in the course of the audit;

iv) The Company's internal controls are effective and have remained so within the period of 90 days prior to the date of the audited financial statements;

v) That we have disclosed to the Company's auditors the following information:

   a) there are no significant deficiencies in the design or operation of the Company's internal controls which could adversely affect the Company's ability to record, process, summarise and report financial data, and have discussed with Company's auditors any weaknesses in internal controls observed in the course of the audit,

   b) there is no fraud involving management or other employees who have a significant role in the Company's internal control.

vi) There are no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of this audit, including any corrective actions with regard to any observed deficiencies and material weaknesses.

Date this 3rd day of June 2025

Chief (Mrs.) Faidat Oreagba
Director

Mr. Ayan Chatterjee
FRC/2025/PRO/DIR/003/511428
Chief Financial Officer

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 ₦'000	2024 ₦'000
Revenue	7	**13,983,016**	17,473,827
Cost of Services	8	**(10,189,396)**	9,825,756)
Gross Profit		**3,793,620**	7,648,071
Other Income	9	**-**	8,843
Administrative Expenses	10	**(34,892,929)**	(16,125,962)
Operating Loss		**(31,099,309)**	(8,469,049)
Finance Income	11	**-**	61,787
Finance Cost	12	**(1,786,477)**	(366,123)
Loss Before Tax		**(32,885,785)**	(8,773,385)
Tax Expense	14	**11,434,963**	(87,739)
Loss for the Year		**(21,450,822)**	(8,861,124)
Per Share Data:			
Basic Loss Per Share		(140.16)	(57.90)

The statement of accounting policies and notes on pages 1321 to 1342 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Notes	2025 ₦'000	2024 ₦'000
Assets			
Non-current Assets			
Property, Plant and Equipment	15	**-**	5,464
Deferred Tax Assets	14.3	**12,361,970**	459,578
		12,361,970	465,043
Current Assets			
Prepayments	16	**283,994**	-
Trade and Other Receivables	17	**13,423,166**	12,659,140
Cash and Cash Equivalents	18	**2,079,052**	9,571,104
		15,786,212	22,230,244
Total Assets		**28,148,182**	22,695,287
Equity and Liabilities			
Equity Attributable to Owners			
Share Capital	19	**153,040**	153,040
Deposit for Shares		**8,605,571**	6,703,980
Retained Loss		**(30,962,040)**	(9,511,218)
		(22,203,429)	(2,654,197)
Liabilities			
Non-current Liabilities			
Borrowings	20	**32,432,925**	11,892,033
		32,432,925	11,892,033
Current Liabilities			
Trade and Other Payables	21	**17,842,358**	13,206,793
Current Tax Liabilities	14.2	**76,327**	250,658
		17,918,685	13,457,451
Total Liabilities		**50,351,610**	25,349,484
Total Equity and Liabilities		**28,148,182**	22,695,287

These accounts were approved by the Board of Directors on **3 June 2025** and signed on its behalf by:

Chief (Mrs.) Faidat Oreagba	**Mr. Ayan Chatterjee**
Director	FRC/2025/PRO/DIR/003/511428
	Chief Financial Officer

The statement of accounting policies and notes on pages 1321 to 1342 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2025

	Share Capital ₦'000	Deposit for Shares ₦'000	Retained Loss ₦'000	Total ₦'000
Year Ended 31 March 2024				
Balance as at 1 April 2023	153,040	6,703,980	(650,094)	6,206,927
Loss for the year	-	-	(8,861,124)	(8,861,124)
Balance as at 31 March 2024	**153,040**	**6,703,980**	**(9,511,218)**	**(2,654,197)**
Year Ended 31 March 2025				
Balance as at 1 April 2024	153,040	6,703,980	(9,511,218)	(2,654,197)
Issued shares during the year	-	1,901,591	-	1,901,591
Loss for the year	-	-	(21,450,822)	(21,450,822)
Balance as at 31 March 2025	**153,040**	**8,605,571**	**(30,962,040)**	**(22,203,429)**

The statement of accounting policies and notes on pages 1321 to 1342 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	2025 ₦'000	2024 ₦'000
Cash flows from Operating Activities		
Loss before tax	**(32,885,785)**	(8,773,385)
Adjustments:		
Depreciation	**513**	-
Interest paid	**1,786,477**	366,123
Interest received	**-**	(61,787)
Exchange loss	**32,399,365**	13,460,458
Operating Loss Before Working Capital Changes	**1,300,569**	4,991,410
Changes in Working Capital:		
Changes in prepayments	**(283,994)**	101,298
Changes in trade and other receivables	**(12,666,418)**	1,210,635
Changes in trade and other payables	**4,461,235**	**10,913,799**
	(7,188,608)	17,217,141
Tax paid	**11,434,963**	(87,739)
Net Cash Flow from Operating Activities	**4,246,356**	17,129,402
Cash flow from Investing Activities:		
Proceeds from sale of PPE	**4,952**	-
Net Cash flow from Investing Activities	**4,952**	-
Cash Flow from Financing Activities:		
Interest received	**-**	61,787
Interest paid	**(1,786,477)**	(366,123)
Deposit for shares	**1,901,591**	-
Borrowings	**20,540,892**	-
Net Cash Flow from Financing Activities	**20,656,006**	(304,336)
Net Cash Flow for the year	**24,907,313**	16,825,066
Cash and Cash Equivalents as at 1 April	**9,571,104**	6,206,496
Exchange difference	**(32,399,365)**	(13,460,458)
Cash and Cash Equivalents as at 31 March	**2,079,052**	9,571,104
Cash and Cash Equivalents as at 31 March	**2,079,052**	9,571,104

The statement of accounting policies and notes on pages 1321 to 1342 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1 Nature of Operations

The principal activity of the Company is to provide global solution on information technology to various sector of the economy. It is engaged in directing, operating, managing, investing in or provide telecommunication, networking, communication, internet information and other information technology related services.

2 General Information, statement of compliance with IFRS and going concern assumption

The Company was incorporated in Nigeria under the Companies and Allied Matters Act 2020 as a Private Limited Liability Company on 18 August 2009. It commenced full operation in January 2011. Its initial issued share capital was 153,790,000 ordinary shares of N1.00. The Company is wholly owned by Tech Mahindra India.

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and The Financial Reporting Council of Nigeria (FRCN). They have been prepared under the assumption that the Company operates on a going concern basis. The Company's audited balances for the year under review are comparable with the prior year balances in all aspects.

- the Company reported a gross profit of ₦3.794 billion for the year and a loss for the year of ₦21.451 billion. The Company had a negative working capital of ₦2.132 billion.
- the Company generated negative operating cash flows of ₦4.246 billion in the current period.
- As disclosed in Note 6.3.2 and 6.3.3 liquidity needs of the Company are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout periods, which is typically 12 months from the date of authorisation of these financial statements.
- management prepares an annual budget and longer-term strategic plan, including an assessment of cash flow requirements, and continue to monitor actual performance against budget and plan throughout the reporting period.

Based on these factors, management has a reasonable expectation that the Company has and will have adequate resources to continue in operational existence for the foreseeable future.

The financial statements for the year ended 31 March 2025 (including comparatives) were approved and authorised for issue by the board of directors of Tech Mahindra Nigeria Limited on **3 June 2025**.

3 New or revised standards or interpretations

3.1 New standards adopted as at 1 April 2024

3.1.1 IAS 1 - Preparation of Financial Statements

- **Classification of Liabilities as Current or Non-current (Amendments to IAS 1) - Effective 1 January 2024**

  IAS 1 requires an entity that has an unconditional right to delay settlement of a liability for at least 12 months from the end of the reporting period, then it can be classified as non-current, if not it is classified as current. Some preparers have found this statement confusing and consequently similar liabilities have been classified differently, making comparisons by investors difficult.

The amendments clarify the guidance in IAS 1 by:

- clarifying that the classification of a liability as either current or non-current is based on the entity's rights at the end of the reporting period;
- stating that management's expectations around whether they will defer settlement or not does not impact the classification of the liability;
- adding guidance about lending conditions and how these can impact classification;
- including requirements for liabilities that can be settled using an entity's own instruments.

IAS 1 - Preparation of Financial Statements

- **Non-current Liabilities with Convenants (Amendments to IAS 1) - Effective 1 January 2024**
  Modify the requirements introduced by Classification of Liabilities as Current or Non-current on how an entity classifies debt and other financial liabilities as current or non-current in particular circumstances: Only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current. In addition, an entity has to disclose information in the notes that enables users of financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months.

Lease Liability in a Sale and Leaseback - Amendment to IFRS 16 - Effective 1 January 2024

The IFRS Interpretations Committee received a submission about IFRS 16 Leases and a sale and leaseback transaction with variable payments that do not depend on an index or rate and came to the conclusion (and the IASB agreed) that it would be beneficial to amend IFRS 16 to specify how a seller-lessee should apply the subsequent measurement requirements in IFRS 16 to the lease liability that arises in the sale and leaseback transaction.

The IASB published an exposure draft (ED) of a proposed clarifying amendment in November 2020 and has now issued final amendments to IFRS 16.

The amendments

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) requires a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease.

While the November 2020 ED had proposed that a seller-lessee initially measures the right-of-use asset and lease liability arising from a leaseback using the present value of expected lease payments at the commencement date, the final amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback.

The amendments also include one amended and one new illustrative examples.

Supplier Finance Arrangement - Amendment to IFRS 7 and IAS 7 - Effective 1 January 2024

In May 2023, the IASB amended IAS 7 ‘Cash flow Statements’ and IFRS 7 ‘Financial Instruments: Disclosures’ through the increase of disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on an entity’s liabilities, cash flows and exposure to liquidity risk.

The amendments

The amendments require additional disclosures that complement the existing disclosures in these two Standards.

They require entities to disclose:

- the terms and conditions of the arrangement;
- the amount of the liabilities that are part of the arrangements, breaking out the amounts for which the suppliers have already received payment from the finance providers, and stating where the liabilities are included on the statement of financial position;
- ranges of payment due dates;
- liquidity risk information.

These additional disclosure requirements address investors wanting more visibility around supplier finance arrangements, which in some jurisdictions around the world are better known as reverse factoring arrangements.

3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company

IFRS 18 Presentation and Disclosure in Financial Statements - Effective January 1, 2027

This is a new standard which replaces IAS 1 Presentation of Financial Statements and introduces several new presentation requirements. The first relates to categories and subtotals in the statement of financial performance. Income and expenses will be categorised into operating, investing, financing, income taxes and discontinued operations categories, with two new subtotals, namely "operating profit" and "profit before financing and income taxes" also being required. These categories and sub-totals are defined in IFRS 18 for comparability and consistency across entities. The next set of changes requires disclosures about management defined performance measures in a single note to the financial statements. These include reconciliations of the performance measures to the IFRS defined subtotals, as well as a description of how they are calculated, their purpose and any changes. The third set of requirements enhance the guidance on grouping of information (aggregation and disaggregation) to prevent the obscuring of information.

The adoption of this amendment is not expected to impact on the results of the Company, but may result in more disclosure than is currently provided in the financial statements.

Amendments to IFRS 1 First time Adoption of International Financial Reporting Standards - Effective- January 1, 2026

Annual Improvements to IFRS Accounting Standards Volume II Hedge Accounting by a First Time Adopter Amendment to reduce inconsistency in wording of the requirements in IFRS 9 Financial Instruments in relation to hedge accounting requirements for a first time adopter.

It is unlikely that the amendment will have a material impact on the Company's financial statements.

Amendments to IFRS 7 Financial Instruments: Disclosures - Effective - January 1, 2026

Annual Improvements to IFRS Accounting Standards Volume II Gain or loss on derecognition Amendment to delete an obsolete reference that remained in IFRS 7 after the publication of IFRS 13 Fair Value Measurement, as well as to improve consistency of wording of the requirements of IFRS 7 with IFRS 13 concepts regarding disclosure of a gain or loss on derecognition.

The adoption of this amendment is not expected to impact on the results of the Company, but may result in more disclosure than is currently provided in the financial statements.

Amendments to IFRS 9 Financial Instruments - Effective - January 1, 2026

Annual Improvements to IFRS Accounting Standards Volume II Derecognition of lease liabilities. The amendment clarifies that if a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to recognise any resulting gain or loss in profit or loss.

Amendments to IFRS 9 Financial Instruments - Effective - January 1, 2026

Annual Improvements to IFRS Accounting Standards Volume II Transaction price. The amendment clarifies that trade receivables must be measured initially, in accordance with IFRS 9, at the amount determined by applying IFRS 15 Revenue from Contracts with Customers.

It is unlikely that the amendment will have a material impact on the company's financial statements

Amendments to IAS 10 Statement of Cash flows - Effective - January 1, 2026

Annual Improvements to IFRS Accounting Standards Volume II Cost method Amendment to replace the term 'cost method' with 'at cost' following the earlier removal of the definition of cost method from IFRS Accounting Standards.

It is unlikely that the amendment will have a material impact on the Company's financial statements.

Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments - Effective - January 1, 2026

The amendments clarify the classification of financial assets with environmental, social and corporate governance (ESG) and similar features, as such features could affect whether the assets are measured at amortized cost or fair value. The amendment also clarifies the date on which a financial asset or financial liability is derecognized in cases where liabilities are settled through electronic payment.

It is unlikely that the amendment will have a material impact on the Company's financial statements.

Lack of Exchangeability- Amendment to IAS 1 - Effective 1 January 2025

In August 2023, the IASB amended IAS 21 'The Effects of Changes in Foreign Exchange Rates' to clarify the approach that should be taken by preparers of financial statements when they are reporting foreign currency transactions, translating foreign operations, or presenting financial statements in a different currency, and there is a long-term lack of exchangeability between the relevant currencies.

The amendments

The amendments include both updates to guidance to assist preparers in correctly accounting for foreign currency items and increases the level of disclosure required to help users understand the impact of a lack of exchangeability on the financial statements.

The amendments:

- introduce a definition of whether a currency is exchangeable, and the process by which an entity should assess this exchangeability. This includes application guidance included in a new Appendix A;
- provide guidance on how an entity should estimate a spot exchange rate in cases where a currency is not exchangeable;
- require additional disclosures in cases where an entity has estimated a spot exchange rate due to a lack of exchangeability, including the nature and financial impact of the lack of exchangeability, and details of the spot exchange rate used and the estimation process.

The additional disclosure requirements provide useful information about the additional level of estimation uncertainty, and risks arising for the entity due to the lack of exchangeability.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023, with early application permitted.

These amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

4 Material Accounting Policies

4.1 Basis of preparation

The financial statements have been prepared on an accrual basis and under the historical cost convention. Monetary amounts are expressed in Naira (₦). The monetary amount are not rounded to the nearest thousands, and earnings per share.

4.2 Foreign currency translation

Functional and presentation currency

The financial statements are presented in Naira (₦) and the functional currency of the Company is Naira. The presentation of the financial statement in Naira is in compliance with the requirements of the Financial Reporting Council of Nigeria (FRCN).

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the Company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

Foreign operations

In the Company's financial statements, all assets, liabilities and transactions with functional currencies other than the Naira are translated into Naira upon consolidation. The functional currencies of entities within the Company have remained unchanged during the reporting period.

4.3 Use of estimates and judgment

In preparing the financial statements, management is required to make use of estimates and assumptions that affects the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgment are inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. The statement of accounting policies forms an integral part of these financial statements.

4.4 Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current and/or non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle.
- Held primarily for the purpose of trading.
- Is due to be realized within 12 months after the reporting period.
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Non-current assets are due to be settled more than 12 months after the reporting period.

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.

4.3 Revenue

Revenue arises mainly from on-site/offshore services and hardware/software system services.
To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer

2. Identifying the performance obligations

3. Determining the transaction price

4. Allocating the transaction price to the performance obligations

5. Recognising revenue when/as performance obligation(s) are satisfied.

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

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers. The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

4.5.1 Onsite and offshore revenue

The entity's revenue is derived from the provision of onsite and offshore services to customers, majorly corporate bodies. Irrespective of the type of services, onsite or offshore services rendered are all

categorised as revenue. Revenue is recognized upon completion of project. In some cases, if work is monthly for a fixed period, revenue is recognised monthly as it is due. Once the percentage of completion is received, the project revenue is updated monthly for a fixed period.

4.6 Operating expenses

Operating expenses are recognised in profit or loss upon utilization of the service or as incurred. Expenditure for warranties is recognised when the company incurs an obligation, which is typically when the related services are rendered.

4.7 Earnings Per Share, Interests and dividends

Basic earnings per share have been calculated using the profit attributable to shareholders of the parent company as the numerator, i.e. no adjustments to profit were necessary in 2023 or 2019. Interest income and expenses are reported on an accrual basis using the effective interest method. Dividends, other than those from investments in associates, are recognised at the time the right to receive payment is established.

4.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

4.9 Property, plant and equipment

Land

Land held for use in production or administration is stated at revalued amount. As no finite useful life for land can be determined, related carrying amounts are not depreciated.

Buildings, IT equipment and other equipment

Buildings, IT equipment and other equipment (comprising fittings and furniture, plants and machinery, vehicle and laboratory equipment and fire fighting equipment) are initially recognised at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the Company's management. Buildings, IT equipment and other equipment are subsequently measured at revalued amount and cost less accumulated depreciation and impairment losses.

Depreciation

Depreciation is recognised on a straight-line basis to write down the revalued amount and cost less accumulated depreciation of buildings, computer and other equipment. The following useful lives are applied:

Motor Vehicles	3 - 5 years
Computer Equipment	3 years
Furniture and Fittings	5 - 10 years
Plant and Machinery	5 - 10 years

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

Impairment testing of property, plant and equipment

For impairment assessment purposes, assets are companyed at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use.

All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

4.101 Financial instruments

4.10.1 Recognition, and derecognition

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

4.10.2 Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

In the periods presented, the corporation does not have any financial assets categorised as FVOCI.

The classification is determined by both:

* the entity's business model for managing the financial asset
* the contractual cash flow characteristics of the financial asset.

All revenue and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

4.10.3 Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows;
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding;

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

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

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).

The category also contains an equity investment. The company accounts for the investment at FVTPL and did not make the irrevocable election to account for the investment in unquoted securities and

listed equity securities at fair value through other comprehensive income (FVOCI). The equity investment in unquoted securities was measured at cost less any impairment charges in the comparative period under IAS 39, as it was determined that its fair value could not be estimated reliably. In the current financial year, the fair value was determined in line with the requirements of IFRS 9, which does not allow for measurement at cost.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

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

The Company accounts for financial assets at FVOCI, if the assets meet the following conditions:

- they are held under a business model whose objective it is “hold to collect” the associated cash flows and sell; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognised in other comprehensive income (OCI) will be recycled upon derecognition of the asset.

4.10.4 Impairment of financial assets

IFRS 9’s impairment requirements use forward-looking information to recognise expected credit losses – the ‘expected credit loss (ECL) model’. Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk (‘Stage 1’) and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low (‘Stage 2’).

‘Stage 3’ would cover financial assets that have objective evidence of impairment at the reporting date.

‘12-month expected credit losses’ are recognised for the first category while ‘lifetime expected credit losses’ are recognised for the second category. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables and contract assets

The Company makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been companyed based on the days past due.

4.10.5 Classification and measurement of financial liabilities

The Company's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

4.11 Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the balance sheet liability method.

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognised in full, although IAS 12 'Income Taxes' specifies limited exemptions. As a result of these exemptions the Company does not recognize deferred tax on temporary differences relating to goodwill, or to its investments in subsidiaries.

4.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

4.13 Non-current assets and liabilities classified as held for sale and discontinued operations

Non-current assets classified as held for sale are presented separately and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some held for sale assets such as financial assets or deferred tax assets, continue to be measured in accordance with the Company's relevant accounting policy for those assets. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

Any profit or loss arising from the sale of a discontinued operation or its remeasurement to fair value less costs to sell is presented as part of a single line item, profit or loss from discontinued operations.

4.14 Equity and reserves

Share capital represents the nominal (par) value of shares that have been issued.

Retained earnings include all current and prior period retained profits and share-based employee remuneration.

All transactions with owners of the parent are recorded separately within equity.

4.15 Post-employment benefits and short-term employee benefits

Post-employment benefit plans

The Company provides post-employment benefits through various defined contribution and defined benefit plans.

Defined contribution plans

The Company pays fixed contributions into independent entities in relation to several state plans and insurances for individual employees. The Company has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that related employee services are received.

Defined benefit plans

Under the Company's defined benefit plans, the amount of pension benefit that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the Company, even if plan assets for funding the defined benefit plan have been set aside. Plan assets may include assets specifically designated to a long-term benefit fund as well as qualifying insurance policies.

The liability recognised in the statement of financial position for defined benefit plans is the present value of the defined benefit obligation (DBO) at the reporting date less the fair value of plan assets.

Management estimates the DBO annually with the assistance of independent actuaries. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension liability.

Service cost on the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Net interest expense on the net defined benefit liability is included in finance costs. Gains and losses resulting from remeasurements of the net defined benefit liability are included in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

Short-term employee benefits

Short-term employee benefits, including holiday entitlement, are current liabilities included in pension and other employee obligations, measured at the undiscounted amount that the Company expects to pay as a result of the unused entitlement.

4.16 Provisions, contingent assets and contingent liabilities

Provisions for product warranties, legal disputes, onerous contracts or other claims are recognised when the company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. The timing or amount of the outflow may still be uncertain.

Restructuring provisions are recognised only if a detailed formal plan for the restructuring exists and management has either communicated the plan's main features to those affected or started implementation. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

5 Significant management judgment in applying accounting policies and estimation uncertainty

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

5.1 Significant management judgments

The following are the judgments made by management in applying the accounting policies of the company that have the most significant effect on the financial statements.

5.1.1 Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilised.

5.1.2 Estimation uncertainty

Information about estimates and assumptions that may have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. In 2019, the Company would recognise an impairment loss on goodwill if there are indications.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and computer equipment.

Inventories

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by market-driven changes that may reduce future selling prices.

Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

6 Financial Risk Management

6.1 Introduction

The Company uses its financial skills to provide competitive product pricing and delivery to a broad range of customers.

Risk Management is essential to help ensure business sustainability thereby providing customers and the shareholders with a long-term value proposition.

Key elements of risk management are:

Strong corporate governance including relevant and reliable management information and internal control processes;

- Ensuring significant and relevant skills and services are available consistently to the company;

- Influencing the business and environment by being active participants in the relevant regulatory and business forums; and

- Keeping abreast of technology and consumer trends and investing capital and resources where required.

The overall Company focus within an appropriate risk framework is to give value to the customers through effective and efficient execution of transactions.

The board of directors acknowledges its responsibility for establishing, monitoring and communicating appropriate risk and control policies.

The Company has exposure to significant risks which are categorised as follows:

(i) Regulatory (capital adequacy, legal, accounting and taxation);

(ii) Business environment (reputation and strategic);

(iii) Operational (people, information technology and internal control processes);

(iv) Market (equity prices, interest rate and currency); and

(v) Liquidity

6.2 Detailed discussion of significant risks

6.2.1 Regulatory risk

Regulatory risk is the risk arising from a change in regulations in any legal, taxation and accounting pronouncements or specific industry that pertain to the business of the Company. In order to manage this risk, the Company is an active participant in the petroleum industry and engages in discussions with policy makers and regulators.

6.2.2 Legal risk

Legal risk is the risk that the Company will be exposed to contractual obligations which have not been provided for.

The Company has a policy of ensuring all contractual obligations are documented and appropriately evidenced to agreements with the relevant parties to the contract.

All significant contracted claims are reviewed by independent legal resources and amounts are provided for if there is consensus as to any possible exposure. At 31 March 2025, the directors are not aware of any significant obligation not provided for.

6.2.3 Taxation risk

Taxation risk is the risk of suffering a loss, financial or otherwise, as a result of an incorrect interpretation and application of taxation legislation or due to the impact of new taxation legislation on existing products.

Taxation risk occurs in the following key areas:

- Transactional risk;

- Operational risk;

- Compliance risk; and

- Financial accounting risk.

Transactional risk

The risk which concerns specific transactions entered into by the Company, including restructuring projects and reorganisations.

Operational risk

The underlying risks of applying tax laws, regulations and decisions to the day-to-day business operations of the Company.

Compliance risk

The risk associated with meeting the Company's statutory obligations.

Financial accounting risk

The risk relates to the inadequacy of proper internal controls over financial reporting, including tax provisioning.

In managing the Company's taxation risk, the Company tax policy is as follows:

The Company will fulfil its responsibilities under tax law in each of the jurisdictions in which it operates, whether in relation to compliance, planning or client service matters. Tax law includes all responsibilities which the Company may have in relation to Company taxes, personal taxes, capital gains taxes, indirect taxes and tax administration.

Compliance with this policy is aimed at ensuring that:

- All taxes due by the Company are correctly identified, calculated, paid and accounted for in accordance with the relevant tax legislation;

- The Company continually reviews its existing operations and planned operations in this context; and

- The Company ensures that, where clients participate in company products, these clients are either aware of the probably tax consequences, or are advised to consult with independent professionals to assess these consequences, or both.

The identification and management of tax risk is the primary objective of the Company tax function, and this objective is achieved through the application of a formulated tax risk approach, which measures the fulfilment of tax responsibilities against the specific requirements of each category of tax to which the Company is exposed, in the context of the various types of activities the Company conducts.

6.2.4 Accounting risk

Accounting risk is the risk that the company fails to explain the current events of the business in the financial statements.

Accounting risk can arise from the failure of management to:

- Maintain proper books and records, accounting system and to have proper accounting policies;

- Establish proper internal accounting controls;

- Prepare periodic financial statements that reflect an accurate financial position; and

- Be transparent and fully disclose all important and relevant matters.

Measures to control accounting risk are the use of proper accounting systems, books and records based on proper accounting policies as well as the establishment of proper internal accounting controls. Proposed accounting changes are researched by accounting resources, and if required external resources, to identify and advise on any material impact on the Company.

Financial statements are prepared in a transparent manner that fully discloses all important and relevant matters as well as accurately reflecting the financial position, results and cash flows of the Company.

6.3 Business environment

6.3.1 Reputational risk

Reputational risk is the risk of loss caused by a decline in the reputation of the Company or any of its specific business units from the perspective of its stakeholders, shareholders, customers, staff, business partners or the general public.

Reputational risk can both cause and result from losses in all risk categories such as market or credit risk.

6.3.2 Strategic risk

Strategic risk is the risk of an unexpected negative change in the Company value, arising from the adverse effect of executive decisions on both business strategies and their implementation.

This risk is a function of the compatibility between strategic goals, the business strategies developed to achieve those goals and the resources deployed to achieve those goals. Strategic risk also includes the ability of management to effectively analyse and react to external factors, which could impact the future direction of the relevant business units.

6.3.3 Company risk

Company risk identifies and assesses both those risks qualitatively as part of a quarterly evaluation. On the basis of this evaluation, Company risk creates an overview of local and global risks which also includes reputational risks, analyses the risk profile of the Company and regularly informs directors and management.

6.3.4 Operational risk

Operational risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events.

The initiation of all transactions and their administration is conducted on the foundation of segregation of duties that has been designed to ensure materially the completeness, accuracy and validity of all transactions. These controls are augmented by management and executive review of control accounts and systems, electronic and manual checks and controls, back-up facilities and contingency planning. The internal control systems and procedures are also subjected to regular internal audit reviews.

6.3.5 Market risk

Market risk includes asset liability matching risk, currency risk, interest rate risk and equity price risk.

The company is exposed to market risk through its financial assets and financial liabilities. The most important components of this risk are interest rate risk and market price risk. These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements.

6.3.6 Interest rate and market price risk

These risks have very different impacts on the various categories of business used in the company's Assets and Liabilities Management framework. Interest rate and market price risk have been discussed together since they interact on certain types of liabilities.

6.3.7 Interest rate risk

Interest rate risk is the risk that the value and cash flow of a financial instrument will fluctuate due to changes in market interest rates.

6.3.8 Equity price risk

Equity price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices.

6.3.9 Foreign currency risk

In respect of other monetary assets and liabilities held in currencies other than the Naira, the Company ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates, where necessary, to address short-term imbalances.

6.3.10 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss to the other party by failing to discharge an obligation.

Key areas where the company is exposed to credit risk are:

* Certain classes of financial assets such as term deposits and cash and cash equivalent; and

* Certain accounts within trade and other receivables.

Financial assets

Various debt instruments are entered into by the company in order to invest surplus shareholder funds. The company is exposed to the issuer's credit standing on these instruments.

The following policy and procedure is in place to mitigate the company's exposure to this credit risk:

* Exposure to outside financial institutions concerning financial instrument is monitored in accordance with parameters which have been approved by the company's Audit Committee and the company's board.

	2025 ₦'000	2024 ₦'000
Age analysis of receivables (Net)		
1 - 90 days	**3,393,720**	861,551
91 - 180 days	**349,212**	207,100
181 - 270 days	**330,065**	8,084
	4,072,996	1,076,735

6.3.11 Liquidity risk

Liquidity risk is that the Group might be unable to meet its obligations. The Group manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on 360-day lookout period are identified monthly. Net cash requirements are compared to available the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout period.

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Group Treasury maintains flexibility in funding by keeping committed credit lines available.

31 March 2025	**1 - 12 Months ₦,000**	**13 Months and above ₦,000**
Borrowings	**32,432,925**	-
Trade and other payables	**17,842,358**	-
Total	**50,275,284**	-
31 March 2024		
Borrowings	**11,892,033**	11,892
Trade and other payables	**13,206,793**	-
Total	**25,098,826**	-

Sensitivity Analysis

Management applies a number of sensitivity tests to the earnings of the Group to better understand the exposure to and importance of each of the main drivers of profitability.

IFRS 7 requires management to report on the changes in the net income after tax following "reasonable possible" changes in each of the factors to which the Group is exposed. Management has set the upside and downside movements for each factor at a level which represents the amount by which management believes that factor could reasonably change over the year following the valuation date. These opinions have been informed by an analysis of historical one year changes in those factors. The upper and lower limits have been set at the 75th and 25th percentiles of observed changes as these bound and interval which may be expected to contain 50% of the changes in the coming year. Management believes this represents in some sense what is "reasonably possible", though it is important to note that this opinion is based on past experience and the tested range is not sensitive to all the relevant information in the market at the reporting date.

Management has considered the impact of upside and downside movements in foreign exchange rates. In relation to these sensitivities:

* The earnings are sensitive to changes in both the shape and level of the yield curve. Management has not considered changes in the shape of the yield curve due to several constraints although this may be reviewed in the following year.

* The foreign exchange movements have been considered together in the same sensitivity. Observed historic negative correlations between factors would tend to dampen the effects presented. These correlations are not very large and they have not been adjusted for. This treatment has resulted in the presentation of a slightly more extreme view of what could reasonably occur over the following year.

Future rates of expense inflation, catastrophes and tax assumptions were considered but no sensitivities are presented as it is unlikely, in management's opinion that, these assumptions will change over the following year.

It should be noted that each impact on profit after tax is shown individually for each sensitivity being changed, keeping all other assumptions constant. In practice this is unlikely to occur, as changes in some of the variables may be correlated.

7

	2025 **₦'000**	2024 ₦'000
Revenue		
Onsite and offshore services	**11,084,712**	11,248,392
Hardware and software system services	**2,898,304**	6,225,435
	13,983,016	17,473,827

Revenue arise mainly from onsite and offshore and hardware and software system services rendered to customers. Revenue is recognised when the percentage of work done has been certified by both the customer and the company.

8 Cost of Services

Subcontracting - hardware and software system	10,189,396	9,825,756
	10,189,396	9,825,756

Subcontracting Expenses

Subcontracting expenses relate to costs that are incured for hiring subcontractors to render a particular service on behalf of the company.

9 Other Income

Insurance claim	-	8,843
	-	8,843

Insurance claim is related to the amount indemnified to the company on an insured machinery part that was stolen.

			2025 ₦'000	2024 ₦'000
10	**Administrative Expenses**			
	Employee benefit expenses	10.1	**1,050,722**	461,470
	Depreciation expenses		**513**	-
	Audit fees		**18,528**	13,808
	Bad debt written off		**15,278**	-
	Bank charges		**244,057**	1,297,536
	Business promotion expenses		**53,219**	153,389
	Exchange loss		**32,399,365**	13,460,458
	Guest house expenses		**116,108**	66,117
	Insurance		**7,493**	-
	Professional fees		**226,429**	68,887
	Motor running expenses		**104,422**	117,729
	Office running expenses		**361,272**	117,347
	Rent		**97,926**	204,919
	Telephone, internet and postage		**6,633**	9,669
	Travelling and conveyance		**190,965**	154,633
			34,892,929	16,125,962

Administrative expenses consist of the expenses listed above. Employment benefit relates to cost incurred on staff remuneration. Office running expenses represent expenses incurred on miscellaneous charges; Office running expenses represents water charges, utility bills and other office expenses, etc. Exchange loss is as a result of capital diffrence from the company domiciliary account.

10.1	**Employee Benefit Expenses**		
	Salaries and wages	**918,244**	460,216
	Staff welfare	**132,478**	1,254
		1,050,722	461,470

10.2 Employees

Average number of persons employed during the year:

	Number	Number
Management staff	**1**	0
Senior staff	**10**	12
Junior staff	**0**	1
	11	13

Personnel cost relates to cost incured in retaining the existing personnel as well as hiring the new once.

		2025 ₦'000	2024 ₦'000
11	**Finance Income**		
	Interest income	**-**	61,787
		-	61,787

Interest income relates to income on fixed deposit.

12	**Finance Cost**		
	Interest expenses	**1,786,477**	366,123
		1,786,477	366,123

The finance cost relates to interest and similar charges on related party loan.

13	**Expenses by nature**		
	Personnel expenses	**1,050,722**	461,470
	General expenses	**33,842,207**	15,664,493
		34,892,929	16,125,962
14	**Taxation**		
14.1	**Income tax recognized in income statement**		
	Current tax		
	Company income tax	69,915	87,678
		69,915	87,678
	Deferred tax		
	Deferred tax expense recognized	(11,504,879)	61
	Total income tax expenses recognized in the year	(11,434,963)	87,739

The tax rate used for the tax computation is 30% payable by corporate entities in Nigeria and 3% for education tax.

14.2	**Current Tax Liabilities**		
	Balance as at 1 April	250,658	800,758
	Provision for the year	69,915	87,678
		320,573	888,436
	WHT credit utilised	(244,246)	(637,778)
	As at 31 March	76,327	250,658
14.3	**Deferred Tax Asset**		
	Balance as at 1 April	459,578	459,578
	Movement during the year	11,902,392	-
	As at 31 March	**12,361,970**	459,578

"As at 31 March 2025, deferred tax computation resulted in deferred tax asset of ₦12,361,970,271 (2024: ₦459,578,000). The deferred tax asset was not recognised in the financial statement as it is not probable that taxable profit will be available in the near future against which deductible temporary differences will be utilized".

15 Property, Plant and Equipment

Cost	Motor Vehicle ₦'000	Plant and Machinery ₦'000	Computer Equipment ₦'000	Furniture and Fittings ₦'000	Office Equipment ₦'000	Capital Work-in-progress ₦'000	Total ₦'000
As at 1 April 2024	22,642	4,193	7,065	8,055	422	4,952	47,329
Additions during the year	-	-	-	-	-	-	-
Disposal	(22,642)	(4,193)	(7,065)	(8,055)	(422)	(4,952)	(47,329)
As at 31 March 2025	-	-	-	-	-	-	**-**
Depreciation							
As at 1 April 2024	22,435	4,132	7,047	7,843	408	-	41,865
Charge for the year	207	61	19	212	14	-	513
Disposal	(22,642)	(4,193)	(7,065)	(8,055)	(422)	-	(42,377)
As at 31 March 2025	-	-	-	-	-	-	**-**
Carrying Amount							
As at 31 March 2025	-	-	-	-	-	-	**-**
As at 31 March 2024	**207**	**61**	**19**	**212**	**14**	**4,952**	**5,464**

All depreciation and impairment charges are included within depreciation, amortisation and impairment of non-financial assets.

The company's property, plant and equipment has not been pledged as security for loan.

All the assets have been fully depreciated and the carrying amount represents the scrap value of the assets.

			2025 ₦'000	2024 ₦'000
16	**Prepayments**			
	License fee		**283,994**	-
			283,994	-
17	**Trade and Other Receivables**			
	Trade receivables		**8,991,894**	5,918,360
	Allowance for ECL		**(18,351)**	(18,351)
			8,973,543	5,900,009
	Withholding tax receivable		**3,858,733**	3,724,643
	Intercompany receivables	17.1	**129,794**	120,895
	VAT receivables		**-**	1,587,434
	Other receivables		**461,096**	1,326,159
			13,423,166	12,659,140

Trade receivables comprises account receivables from accrued revenue, billable software and contract reimbursables. The net carrying value of trade receivables is considered to be at fair value. Intercompany balances include intercompany from Comviva limited. Other receivables represent contract reimbursables, intra-unit receivables and advance to suppliers.

17.1	**Intercompany Receivables**		
	Tech mahindra Limited, India	**1,701**	120,895
	Leadcom Integrated Solutions (LIS) Limited	**7,197**	-
	Comviva Technologies Limited	**120,895**	-
		129,794	120,895
18	**Cash and Cash Equivalent**		
	Cash at bank	**2,079,052**	353,933
	Forex deposit	**-**	1
	Short term deposit	**-**	9,217,170
		2,079,052	9,571,104

The bank balance represent Citi Bank Plc balances as at year end, while short term deposit represents cash balance as at year end. These comprise of balances in foreign currencies that are translated at the period end, using the interbank rate as at 31 March 2025.

		2025 ₦'000	2024 ₦'000
19	**Share Capital**		
	Issued Share Capital	**153,790**	153,790
19.1	**Paid-Up Capital**		
	53,040,026 Ordinary Shares of ₦1.00 each	**153,040**	153,040

The share capital of Tech Mahindra (Nigeria) Limited consists only of fully paid ordinary shares with a nominal value of ₦1 each.

19.2	**Deposit for Shares**			
	Share application money		8,605,571	**6,703,980**

Deposit for shares represents intercompany payables and loans payable to the parent company (Tech Mahindra Limited - India) that is converted/transferred to share application money after a resolution by the Board of Directors in 26 March 2025.

20	**Borrowing**			
	Loan from related party	20.1	**32,432,925**	11,892,033
			32,432,925	11,892,033
20.1	**Loan from Related Party**			
	Tech Mahindra London Limited		**18,547,095**	11,892,033
	Tech Mahindra (Americas), Inc.		**13,885,830**	-
			32,432,925	11,892,033

21 Trade and Other Payables

Trade payables		**-**	2,427,269
Accruals		**3,052,794**	4,094,388
Intercompany payables	21.1	**13,683,614**	4,238,194
Statutory payables		**458,335**	2,446,942
Other payables		**647,615**	-
		17,842,358	13,206,793

Trade payable comprises of advance payment from customers. Accruals include audit fee payable, professional fees payable.

		2025 **₦'000**	2024 ₦'000
21.1	**Intercompany payables**		
	Tech Mahindra Limited, India	**5,190,208**	4,238,194
	Tech Mahindra London Limited	**1,953,203**	-
	Tech Mahindra (Americas), Inc.	**780,999**	-
	Tech Mahindra South Africa (Pty) Limited	**1,439,455**	-
	Leadcom Integrated Solutions (LIS) Limited	**4,319,749**	-
		13,683,614	4,238,194

22 Related Parties Transactions

This comprise of intercompany balances. Details of transactions and outstanding balances between the company and its related parties during the year are disclosed below:

22.2	**Parent Company - Tech Mahindra Limited, India**		
	Opening balance	**4,238,194**	12,212,414
	Movement during the year	**952,015**	(7,974,220)
	Closing Balance as at 31 March	**5,190,208**	4,238,194
	Loan from Tech Mahindra Limited United Kingdom	**-**	11,892,033
22.3	**Fellow Subsidiary - Tech Mahindra London Limited**		
	Opening balance	**-**	-
	Movement during the year	**1,953,203**	-
	Closing Balance as at 31 March	**1,953,203**	-
22.4	**Fellow Subsidiary - Tech Mahindra (Americas), Inc.**		
	Opening balance	**-**	-
	Movement during the year	**780,999**	-
	Closing Balance as at 31 March	**780,999**	-
22.5	**Fellow Subsidiary - Tech Mahindra South Africa Proprietary Limited**		
	Opening balance	**-**	-
	Movement during the year	**1,439,455**	-
	Closing Balance as at 31 March	**1,439,455**	-

22.6	**Leadcom Integrated Solutions (LIS) Limited**		
	Opening balance	**-**	-
	Movement during the year	**4,319,749**	-
	Closing Balance as at 31 March	**4,319,749**	-

23 Events After Reporting Date

There were no significant adjusting or non-adjusting events after the reporting date based on the opinion of the directors which could have had a material effect on the financial statements.

24 Authorization of Financial Statements

The financial statements for the year 31 March 2025 (including comparatives) were approved by the board of directors on **3 June 2025.**

TECH MAHINDRA ICT SERVICES (MALAYSIA) SDN. BHD.

Board of Directors
Mr. Akshay Lal (Appointed, effective 25th April 2024)
Mr. Manish Kumar Patawari
Mr. Chong Li Khuen
Mr. Sabrina Ong Lee Leigh
Mr. Manish Goenka (Resigned, effective 25th April 2024)

Registered office
35-3, Jalan SS 15/8A, 47500
Subang Jaya, Selangor Darul Ehsan,
Kuala Lumpur, Malaysia

Bankers
HSBC Bank Malaysia Berhad

Auditor
KPMG PLT

Directors' report for the year ended 31 March 2025

The Directors have pleasure in submitting their report and the audited financial statements of the Company for the year ended 31 March 2025.

Principal activities

The Company is principally engaged in the business of developing, advising, consulting and implementing of software systems relating to information technology and electronic services including application and programming services, administration and management control, technical, scientific and operational assistance, systems design, project management training and support of personnel, management of services facility and generally, any type of business in connection therein. There has been no significant change in the nature of these activities during the financial year.

Ultimate holding company

The Company is a wholly-owned subsidiary of Tech Mahindra Limited, which is incorporated in India and regarded by the Directors as the Company's ultimate holding company, during the financial year and until the date of this report.

Results

	RM
Profit for the year	11,698,827

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review.

Dividends

There were no dividends recognised by the Company during the current financial year and the Directors do not recommend any dividends for the financial year then ended.

Directors of the Company

Directors who served during the financial year until the date of this report are:

Mr. Akshay Lal (Appointed, effective 25th April 2024)
Mr. Manish Kumar Patawari
Mr. Chong Li Khuen
Mr. Sabrina Ong Lee Leigh
Mr. Manish Goenka (Resigned, effective 25th April 2024)

Directors' interests in shares

None of the other Directors holding office at 31 March 2025 had any interest in the shares of the Company and of its related corporation during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 31 March 2025 are as follows:

	RM
Directors of the Company:	
Fees	10,000

There were no arrangements during and at the end of the financial year which had the object of enabling 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.

Issue of shares and debentures

There were no changes in the issued and paid-up capital of the Company during the financial year. There were no debentures issued during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Indemnity and insurance costs

During the financial year, there was no indemnity given to or insurance effected for any Director, officer and auditor of the Company.

Other statutory information

Before the financial statements of the Company were made out, the Directors took reasonable steps to ascertain that:

i) all known bad debts have been written off and adequate provision made for doubtful debts, and

ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Company inadequate to any substantial extent, or

ii) that would render the value attributed to the current assets in the financial statements of the Company misleading, or

iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate, or

iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Company misleading.

At the date of this report, there does not exist:

i) any charge on the assets of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or

ii) any contingent liability in respect of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Company to meet its obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Company for the financial year ended 31 March 2025 has not been substantially affected by any item, transaction or event of a material and unusual nature, nor has any such item transaction or event occurred in the interval between the end of that financial year and the date of this report.

Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration of the Company during the year is RM87,562.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

MANISH KUMAR PATAWARI
Director

LAL AKSHAYKUMAR ASHOK
Director

Date: 12 June 2025

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF TECH MAHINDRA ICT SERVICES (MALAYSIA) SDN. BHD.

(Registration No. 201301037394 (1067223-P))
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Tech Mahindra ICT Services (Malaysia) Sdn. Bhd., which comprise the statement of financial position as at 31 March 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 1344 to 1346.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company 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 the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the Directors are responsible for assessing the ability of the Company 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 of the Company 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 approved standards on auditing in Malaysia and 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 financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and 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 financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.

- 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 ability of the Company 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 of the Company 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 of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Other Matter

This report is made solely to the member of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Soo Tho Pei Yin
Approval Number: 03699/12/2026 J
Chartered Accountant

Petaling Jaya, Selangor

Date:

Statement of financial position as at 31 March 2025

	Note	2025	2024
		RM	RM
Assets			
Property, plant and equipment	2	**4,830,619**	2,636,388
Right-of-use assets	3	**2,911,503**	1,035,722
Trade and other receivables	4	**250,750**	551,651
Total non-current assets		**7,992,872**	4,223,761
Trade and other receivables	4	**144,221,819**	136,010,090
Contract assets	5	**33,028,359**	9,703,509
Tax assets		**4,877,639**	4,604,396
Cash and cash equivalents	6	**8,563,750**	8,410,406
Total current assets		**190,691,567**	158,728,401
Total assets		**198,684,439**	162,952,162
Equity			
Share capital	7	**10,654,000**	10,654,000
Retained earnings		**85,421,089**	73,722,262
Total equity attributable to owner of the Company		**96,075,089**	84,376,262
Liability			
Lease liabilities	8	**2,012,360**	-
Contract liabilities	5	**5,546**	25,092
Other payables	10	**870,360**	6,213,031
Total non-current liabilities		**2,888,266**	6,238,123
Lease liabilities	8	**1,331,311**	2,183,278
Trade payables	9	**44,747,382**	28,231,932
Other payables	10	**51,018,685**	39,607,556
Contract liabilities	5	**2,623,706**	2,315,011
Total current liabilities		**99,721,084**	72,337,777
Total liabilities		**102,609,350**	78,575,900
Total equity and liabilities		**198,684,439**	162,952,162

The notes on pages 1352 to 1369 are an integral part of these financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025	2024
		RM	RM
Revenue	11	246,355,223	224,957,432
Cost of services	12	(195,361,548)	(171,636,876)
Gross profit		50,993,675	53,320,556
Net gain/(loss) from reversal of impairment of financial instruments		27,626	(50,278)
Administrative expenses		(34,832,153)	(34,188,212)
Results from operating activities		16,189,148	19,082,066
Finance income		730,651	518,235
Finance cost		(214,020)	(285,433)
Profit before tax	13	16,705,779	19,314,868
Taxation	14	(5,006,952)	(79,587)
Profit and total comprehensive income for the year		11,698,827	19,235,281

The notes on pages 1352 to 1369 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	Non-distributable Share capital	Distributable Retained earnings	Total equity
	RM	RM	RM
At 1 April 2023	**10,654,000**	**54,486,981**	**65,140,981**
Profit and total comprehensive income for the year	**-**	**19,235,281**	**19,235,281**
At 31 March 2024/1 April 2024	**10,654,000**	**73,722,262**	**84,376,262**
Profit and total comprehensive income for the year	**-**	**11,698,827**	**11,698,827**
At 31 March 2025	**10,654,000**	**85,421,089**	**96,075,089**
	Note 7		

The notes on pages 1352 to 1369 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	RM	RM
Cash flows from operating activities		
Profit before tax	**16,705,779**	19,314,868
Adjustments for:		
Net (gain)/loss on impairment of financial instruments	**(824,335)**	276,080
Depreciation of property, plant and equipment	**1,493,536**	1,544,505
Gain on disposal of property, plant and equipment	**(260,470)**	-
Depreciation of right-of-use assets	**2,140,085**	3,542,527
Leave encashment expenses	**946,570**	990,536
Net unrealised gain on foreign exchange	**(864,331)**	(839,902)
Finance cost	**214,020**	285,433
Finance income	**(730,651)**	(518,235)
Reversal of provision during the year	**(11,728,667)**	(4,701,018)
Operating profit before changes in working capital	**7,091,536**	19,894,794
Trade and other receivables	**(6,967,227)**	13,433,056
Contract assets	**(23,324,850)**	(283,431)
Trade and other payables/accrued expenses	**34,399,640**	(43,722,320)
Contract liabilities	**289,149**	370,777
Cash used in operations	**11,488,248**	(10,307,124)
Leave encashment paid	**(1,033,634)**	(676,486)
Tax paid	**(5,280,195)**	(263,312)
Interest received from finance lease	**49,051**	225,472
Net cash used in operating activities	**5,223,470**	(11,021,450)
Cash flows from investing activities		
Purchase of property, plant and equipment	**(3,687,767)**	(1,636,134)
Proceeds from disposal of property, plant and equipment	**260,470**	-
Interest received	**2,055**	20,325
Lease payments received	**1,513,546**	3,700,679
Acquisition of business, net of cash and cash equivalents acquired	**-**	(2,260,442)
Net cash (used in)/from investing activities	**(1,911,696)**	(175,572)
Cash flows from financing activity		
Payment of financial lease liabilities	**(1,434,596)**	(3,782,703)
Payment of lease liabilities	**(1,634,897)**	(2,913,277)
Net cash used in financing activity	**(3,069,493)**	(6,695,980)
Net change in cash and cash equivalents	**242,281**	(17,893,002)
Effect of foreign exchange rate differences	**(88,937)**	41,650
Cash and cash equivalents at beginning of the year	**8,410,406**	26,261,758
Cash and cash equivalents at end of the year	**8,563,750**	8,410,406

(i) Cash outflow for leases as a lessee

	2025	2024
	RM	RM
Included in net cash used in operating activities:		
Payment relating to short term lease	(214,020)	(175,120)
Included in net cash used in financing activity:		
Payment of lease liabilities	(1,634,897)	(2,913,277)
Total cash outflow for leases	(1,848,917)	(3,088,397)

(ii) Reconciliation of movement of liabilities to cash flows arising from financing activity

The movement of liabilities from financing activities in the statement of cash flows are as follows:

	Lease liabilities	Finance lease liabilities
	RM	RM
At 1 April 2023	3,588,211	5,005,614
Interests	98,809	186,624
Net change in cash flow from financing activities	(2,913,277)	(3,782,703)
At March 2024/1 April 2024	773,743	1,409,535
Addition	4,015,866	-
Interests	188,959	25,061
Net change in cash flow from financing activities	(1,634,897)	(1,434,596)
At 31 March 2025	3,343,671	-

The notes on pages 1352 to 1369 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Tech Mahindra ICT Services (Malaysia) Sdn. Bhd. is a private limited liability company, incorporated and domiciled in Malaysia. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business
Malaysia Global Solution Center
Lot 12122, Persiaran APEC
63000 Cyberjaya
Selangor Darul Ehsan

Registered office
35-3, Jalan SS15/8A
47500 Subang Jaya
Selangor Darul Ehsan

The Company is principally engaged in the business of developing, advising, consulting and implementing of software systems relating to information technology and electronic services including application and programming services, administration and management control, technical, scientific and operational assistance, systems design, project management training and support of personnel, management of services facility and generally, any type of business in connection therein. There has been no significant change in the nature of these activities during the financial year.

The Company is a wholly-owned subsidiary of Tech Mahindra Limited, which is incorporated in India and regarded by the Directors as the Company's ultimate holding company, during the financial year and until the date of this report.

These financial statements were authorised for issue by the Board of Directors on 12 June 2025

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Company:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, Financial Instruments and MFRS 7, Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments
- Amendments that are part of Annual Improvements ─ Volume 11:
  - Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards
  - Amendments to MFRS 7, Financial Instruments: Disclosures
  - Amendments to MFRS 9, Financial Instruments
  - Amendments to MFRS 10, Consolidated Financial Statements
  - Amendments to MFRS 107, Statement of Cash Flows
- Amendments to MFRS 9, Financial Instruments and MFRS 7, Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, Presentation and Disclosure in Financial Statements
- MFRS 19, Subsidiaries without Public Accountability: Disclosures

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Company plans to apply the abovementioned accounting standards, interpretations and amendments, where applicable:

- from the annual period beginning on 1 April 2025 for the amendment that is effective for annual periods beginning on or after 1 January 2025
- from the annual period beginning on 1 April 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026
- from the annual period beginning on 1 April 2027 for the accounting standards that are effective for annual periods beginning on or after 1 January 2027.

The initial application of the abovementioned accounting standards, amendments and interpretations is not expected to have any material financial impact to the current period and prior period financial statements of the Company.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with MFRS Accounting Standards 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.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed below:

- Note 10.2 – Provision for onerous contracts
- Note 15.4 – Measurement of expected credit loss ("ECL")

2. Property, plant and equipment

	Office equipment	Computers and software	Plant and equipment	Lease improvements	Furniture and fixtures	Total
	RM	RM	RM	RM	RM	RM
Cost						
At 1 April 2023	812,131	8,005,078	1,046,202	8,600	223,256	10,095,267
Additions	129,710	1,506,424	-	-	-	1,636,134
Business Combination	73,200	350,036	-	-	66,344	489,580
Disposals	-	(77,365)	-	-	-	(77,365)
At 31 March 2024/1 April 2024	1,015,041	9,784,173	1,046,202	8,600	289,600	12,143,616
Additions	516,489	348,041	19,905	2,053,849	749,483	3,687,767
Disposals	(215,449)	(2,704,031)	(213,066)	-	-	(3,132,546)
At 31 March 2025	**1,316,081**	**7,428,183**	**853,041**	**2,062,449**	**1,039,083**	**12,698,837**
Depreciation						
At 1 April 2023	589,662	6,342,196	622,222	7,884	97,820	7,659,784
Depreciation for the year	74,827	1,314,421	93,861	716	60,680	1,544,505
Business Combination	61,912	282,981	-	-	35,411	380,304
Disposals	-	(77,365)	-	-	-	(77,365)
At 31 March 2024/1 April 2024	726,401	7,862,233	716,083	8,600	193,911	9,507,228
Depreciation for the year	141,098	1,116,993	95,852	60,347	79,246	1,493,536
Disposals	(215,449)	(2,704,031)	(213,066)	-	-	(3,132,546)
At 31 March 2025	**652,050**	**6,275,195**	**598,869**	**68,947**	**273,157**	**7,868,218**
Carrying amount						
At 1 April 2023	222,469	1,662,882	423,980	716	125,436	2,435,483
At 31 March 2024/1 April 2024	288,640	1,921,940	330,119	-	95,689	2,636,388
At 31 March 2025	**664,031**	**1,152,988**	**254,172**	**1,993,502**	**765,926**	**4,830,619**

Material accounting policy

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

- Office equipment 5 years
- Computers and softwares 5 years
- Plant and equipment 3 to 5 years
- Lease improvements 3 years
- Furniture and fixtures 5 years

3. Right-of-use assets

	Buildings
	RM
At 1 April 2023	4,578,249
Depreciation	(3,542,527)
At 31 March 2024/1 April 2024	1,035,722
Addition	4,015,866
Depreciation	(2,140,085)
At 31 March 2025	2,911,503

The Company leases three office buildings that runs 3 years, with option to renew the lease after that date.

3.1 Extension options

The leases of office buildings contain extension options exercisable by the Company up to one year before the end of the non-cancellable contract period. Where applicable, the Company seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Company and not by the lessors. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

3.2 Material accounting policy information

(a) Recognition and measurement

All right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

4. Trade and other receivables

	Note	2025	2024
		RM	RM
Non-current			
Lease receivables	4.1	250,750	551,651
Current			
Trade			
Trade receivables	4.2	32,182,682	33,354,006
Amount due from related companies	4.3	63,673,806	31,844,521
Amount due from ultimate holding company	4.3	249,768	54,288,618
		96,106,256	**119,487,145**
Non-trade			
Lease receivables	4.1	300,900	1,562,596
Prepaid expense	4.4	15,085,552	6,338,566
Deposits		887,570	340,475
Other receivables	4.5	29,092,551	5,505,920
Amount due from related company	4.6	2,748,990	2,775,388
		48,115,563	16,522,945
		144,221,819	**136,010,090**
		144,472,569	**136,561,741**

4.1 Lease receivables

The lease periods under these arrangements range from 3 years to 7 years and are discounted using an interest rate of 5.5% (2024: 4.9%). There is no collateral pledged in this transaction. The lease receivables as at reporting dates are as follows:

	2025	2024
	RM	RM
At 1 April	2,114,247	6,040,398
Interest income	(49,051)	(225,472)
Lease payments received	(1,513,546)	(3,700,679)
At 31 March	**551,650**	**2,114,247**

The lease payments to be received are as follows:

	2025	2024
	RM	RM
Less than one year	300,900	1,562,596
One to two years	250,750	551,651
Total undiscounted lease payments receivable	551,650	2,114,247
Unearned interest income	(25,102)	(74,152)
Net investment in lease	**526,548**	**2,040,095**

4.2 Trade receivables

Trade receivables are usually settled within 30 to 90 days.

4.3 Amounts due from ultimate holding company and related companies

The amounts due from ultimate holding company and related companies are subject to the normal trade terms.

4.4 Prepaid expenses

Included in the prepaid expenses are RM12,813,675 (2024:RM4,055,288) related to advance for goods and services to third parties.

4.5 Other receivables

Included in the other receivables are RM24,636,408 (2024: RM4,207,386) related to management fee receivables.

4.6 Amount due from related company

The amount due from related company is unsecured, subject to interest at 6.96% per annum (2024: 5.76% per annum) and repayable on demand.

5. Contract assets/(liabilities)

	2025	2024
	RM	RM
Current		
Contract assets	33,028,359	9,703,509
Non-current		
Contract liabilities	(5,546)	(25,092)
Current		
Contract liabilities	(2,623,706)	(2,315,011)

The contract assets primarily relate to the Company's right to consideration for work completed on the milestone-based projects but not yet billed at the reporting date.

The contract liabilities primarily relate to the advance consideration received from customers for the milestone-based projects, which revenue is recognised overtime during the duration of the projects.

Significant changes to contract assets and contract liabilities balances during the period are as follows:

	2025	2024
	RM	RM
Contract liabilities at the beginning of the period recognised as revenue	2,315,011	1,943,694

6. Cash and cash equivalents

	Note	2025	2024
		RM	RM
Cash at banks		8,563,750	3,620,346
Fixed deposits with licensed bank	6.1	-	4,790,060
		8,563,750	**8,410,406**

6.1 The effective interest rate of fixed deposits in prior year ranges from 1.60% to 4.41% per annum and the maturity period ranges from 7 days to 10 days.

7. Share capital

	Number of shares	Amount	Number of shares	Amount
	2025	2025	2024	2024
		RM		RM
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares At 1 April/31 March	10,654,000	10,654,000	10,654,000	10,654,000

Ordinary shares

The holder of ordinary shares is entitled to receive dividends as declared from time to time, and is entitled to one vote per share at meetings of the Company.

8. Lease liabilities

	2025	2024
	RM	RM
Non-current		
Lease liabilities	2,012,360	-
Current		
Finance lease liabilities	-	1,409,535
Lease liabilities	1,331,311	773,743
	1,331,311	2,183,278
	3,343,671	**2,183,278**

Finance lease liabilities

Finance lease liabilities are payable as follows:

	Future minimum lease payments	Interest	Present value of minimum lease payments	Future minimum lease payments	Interest	Present value of minimum lease payments
	2025	2025	2025	2024	2024	2024
	RM	RM	RM	RM	RM	RM
Less than one year	-	-	-	1,434,596	(25,061)	1,409,535
Between one and five years	-	-	-	-	-	-
	-	-	-	1,434,596	(25,061)	1,409,535

9. Trade payables

	Note	2025	2024
		RM	RM
Trade payables	9.1	3,689,300	1,921,199
Amount due to ultimate holding company	9.2	41,058,082	26,256,149
Amount due to related companies	9.2	-	54,584
		44,747,382	**28,231,932**

9.1 Trade payables

Trade payables are usually settled within 30 to 60 days.

9.2 Amounts due to ultimate holding company and related companies

The amounts due to ultimate holding company and related companies are subject to the normal trade terms.

10. Other payables

	Note	2025	2024
		RM	RM
Non-current			
Provision for employee benefits: leave encashment	10.1	870,360	871,224
Provision for onerous contracts	10.2	-	5,341,807
		870,360	**6,213,031**
Current			
Other payables		41,763,199	23,879,010
Provision for employee benefits: leave encashment	10.1	1,674,960	1,761,160
Provision for onerous contracts	10.2	7,580,526	13,967,386
		51,018,685	39,607,556
		51,889,045	**45,820,587**

10.1 Provision for employee benefits: leave encashment

Movement in provision for employee benefits: leave encashment is shown as follows:

	2025	2024
	RM	RM
At 1 April	2,632,384	2,318,334
Charge for the year (Note 13)	946,570	990,536
Leave encashment paid	(1,033,634)	(676,486)
At 31 March	**2,545,320**	**2,632,384**

The Company provides for the compensated absences subject to Company's leave policy. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is accrued based on the number of days of unavailed leave at each reporting date. It is measured as at reporting date on the basis of an independent actuarial valuation using the Projected Unit Credit method.

10.2 Provision for onerous contracts

This provision related to onerous contracts which are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Significant estimate and judgement are required in estimating the budgeted costs in relation of the contract. A change in the estimates will directly affect the provision to be recognised in relation to the future obligations under the contract. The discount rate used is a pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the liability. This provision for onerous contract has occurred from a service agreement with other party and is towards the additional delivery costs.

	Provision for onerous contracts
	RM
At 1 April 2023	24,010,211
Reversal of provision during the year	(4,701,018)
At 31 March 2024/1 April 2024	19,309,193
Reversal of provision during the year	(11,728,667)
At 31 March 2025	**7,580,526**

11. Revenue

	2025	**2024**
	RM	**RM**
Revenue from contracts with customers		
Sale of equipment	4,693,602	1,163,107
Rendering of services	241,661,621	223,794,325
	246,355,223	**224,957,432**

11.1 Disaggregation of revenue

	2025	**2024**
	RM	**RM**
Timing of revenue recognition		
At a point of time	4,693,602	1,163,107
Over time	241,661,621	223,794,325
	246,355,223	**224,957,432**

11.2 Nature of services

The following information reflects the typical transactions of the Company:

Nature of services	**Timing of recognition or method used to recognised revenue**	**Significant payment terms**
Sale of equipment	Revenue is recognised at a point of time upon the completion of the project when the services are delivered and accepted by the customers at their premises.	Credit period of 30-90 days from invoice date.
Rendering of services	Revenue is recognised over the period of time for the milestone-based projects when the services are delivered and accepted by the customers at their premises.	Credit period of 30-90 days from invoice date.

There are no variable element in considerations, no obligations for returns or refunds and no warranty.

11.3 Transaction price allocated to the remaining performance obligations

Revenue from performance obligations that are unsatisfied (or partially unsatisfied) as at the reporting date and will be recognised in the next twelve months is RM137,159,372 (2024: RM141,536,842).

12. Cost of services

	Note	2025	2024
		RM	RM
Employee cost		105,810,840	115,170,520
Sub-contracting expenses		34,185,525	18,765,152
Hardware related expenses		67,093,850	42,402,237
Reversal of provision for onerous contracts	10.2	(11,728,667)	(4,701,033)
		195,361,548	**171,636,876**

13. Profit before tax

	2025	2024
	RM	RM
Profit before tax is arrived at after charging/(crediting):		
Auditors' remuneration		
Audit fees:		
- KPMG PLT	87,562	79,785
Material expenses/(income)		
Depreciation of property, plant and equipment	1,493,596	1,544,505
Depreciation on right-of-use assets	2,140,085	3,542,527
Personnel expenses (including key management personnel):		
- Salaries and allowances	91,323,129	99,255,504
- Defined contribution plan	7,219,259	7,916,747
- Other staff-related expenses	7,179,947	7,998,268
Leave encashment expenses	946,570	990,536
Finance cost	214,020	285,433
Foreign exchange (gain)/losses		
- Realised	3,377,348	2,252,037
- Unrealised	(864,331)	(839,902)
Finance income	(730,651)	(518,235)
Payment relating to short term lease	214,020	175,120
Net loss/(gain from reversal) of impairment of financial instruments		
Financial assets at amortised cost		
Trade receivables	(27,626)	(175,524)
Other receivables	(796,709)	225,802
	(824,335)	**50,278**

14. Taxation

	2025	2024
	RM	RM
Current tax		
- Current year	605,669	79,587
- Under provision in prior year	4,401,283	-
	5,006,952	**79,587**

	2025	2024
	RM	RM
Reconciliation of tax expense		
Profit before tax	16,705,779	19,314,868
Income tax calculated using Malaysia tax rates at 24% (2024: 24%)	4,009,387	4,635,568
Non-deductible expenses	25,075	1,770,678
Net change in unrecognised deferred tax asset	(2,520,325)	(2,035,362)
Tax exempted income	(908,468)	(4,291,297)
Under provision in prior year	4,401,283	-
	5,006,952	**79,587**

The Company was awarded MSC Malaysian Status and is eligible for income tax exemption on statutory income from 31 May 2019 to 30 May 2024.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	2025	2024
	RM	RM
Provisions	10,125,846	21,941,577
Property, plant and equipment	103,720	828,111
Other temporary differences	624,996	577,923
	10,854,562	**23,347,611**

Deferred tax assets have not been recognised in respect of these items because it is not probable that sufficient future taxable profit will be available against which the Company utilise the benefits.

15. Financial instruments

15.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as amortised cost ("AC").

	Carrying amount	AC
	RM	RM
2025		
Financial assets		
Trade and other receivables (excluding prepayments)	129,387,017	129,387,017
Cash and cash equivalents	8,563,750	8,563,750
	137,950,767	**137,950,767**
Financial liabilities		
Trade payables	(44,747,382)	(44,747,382)
Other payables (excluding VAT payable)	(37,660,774)	(37,660,774)
	(82,408,156)	**(82,408,156)**

	Carrying amount	AC
	RM	RM
2024		
Financial assets		
Trade and other receivables (excluding prepayments and GST receivables)	130,223,175	130,223,175
Cash and cash equivalents	8,410,406	8,410,406
	138,633,581	**138,633,581**
Financial liabilities		
Trade payables	(28,231,932)	(28,231,932)
Other payables and lease liabilities (excluding VAT payable)	(23,928,060)	(23,928,060)
	(52,159,992)	**(52,159,992)**

15.2 Net gains and losses arising from financial instruments

	2025	2024
	RM	RM
Net (losses)/gains on:		
Financial assets at amortised cost	(979,456)	242,487
Financial liabilities at amortised cost	(25,061)	(1,598,759)
	(1,004,517)	**(1,356,272)**

15.3 Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

15.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk arises principally from the individual characteristic of each customer. There are no significant changes as compared to prior periods.

Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on new customers requiring credit over a certain amount.

At each reporting date, the Company assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or fully) when 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. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Trade receivables and contract assets

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the statement of financial position.

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Company manages its customers and take appropriate action (including but not limited to legal action) to recover long overdue balances. Generally, trade receivables will pay within 30-90 days. The Company's debt recovery process is as follows:

a) Above 180 days past due after credit term, the Company will start to initiate a structured debt recovery process which is monitored by the sales management team; and

b) Above 365 days past due, the Company will commence a legal proceeding against the customer.

The Company uses a simple average loss rate model and past due date to measure Expected Credit Losses ("ECLs") of trade receivables and contract assets. Consistent with the debt recovery process, invoices which are past due 365 days will be considered as credit impaired.

The Company assessed the risk of loss of each customer individually based on their financial information, past trend of payments and external credit ratings, where applicable. All of these customers have low risk of default.

The Company also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Company's view of economic conditions over the expected lives of the receivables. Nevertheless, the Company believes that these factors are immaterial for the purpose of impairment calculation for the year.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets which are grouped together as they are expected to have similar risk nature.

	Gross carrying amount	Loss allowance	Net balance
	RM	RM	RM
2025			
Current (not past due)	21,534,071	-	21,534,071
0 - 90 days past due	8,465,370	-	8,465,370
90 - 180 days past due	1,615,201	-	1,615,201
180 - 365 days past due	570,365	(2,325)	568,040
	32,185,007	(2,325)	32,182,682
Credit impaired			
Past due more than 365 days	16,151,263	(16,151,263)	-
	48,336,270	**(16,153,588)**	**32,182,682**
Trade receivables	48,336,270	(16,153,588)	32,182,682
Contract assets	33,028,359	-	33,028,359
	81,364,629	**(16,153,588)**	**65,211,041**

	Gross carrying amount	Loss allowance	Net balance
	RM	RM	RM
2024			
Current (not past due)	26,239,896	-	26,239,896
0 - 90 days past due	6,856,435	-	6,856,435
90 - 180 days past due	257,675	-	257,675
180 - 365 days past due	-	-	-
	33,354,006	-	33,354,006
Credit impaired			
Past due more than 365 days	16,181,214	(16,181,214)	-
	49,535,220	**(16,181,214)**	**33,354,006**
Trade receivables	49,535,220	(16,181,214)	33,354,006
Contract assets	9,703,509	-	9,703,509
	59,238,729	**(16,181,214)**	**43,057,515**

The movements in the allowance for impairment in respect of trade receivables during the year are shown below:

	Not credit impaired	Credit impaired	Total
	RM	RM	RM
Balance at 1 April 2023	2,325	16,354,413	16,356,738
Net remeasurement of loss allowance	-	(175,524)	(175,524)
Balance at 31 March 2024/	2,325	16,178,889	16,181,214
1 April 2024			
Net remeasurement of loss allowance	-	(27,626)	(27,626)
Balance at 31 March 2025	**2,325**	**16,151,263**	**16,153,588**

Other receivables, lease receivables and deposits

Risk management objectives, policies and processes for managing the risk

Credit risks on other receivables, lease receivables and deposits are mainly arising from deposits paid for office buildings and fixtures rented. These deposits will be received at the end of each lease terms. The Company manages the credit risk together with the leasing arrangement.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Recognition and measurement of impairment loss

The following table provides information about the exposure to credit risk for other receivable, lease receivables and deposits balances.

	Gross carrying amount	Impairment loss allowances	Net balance
	RM	RM	RM
2025			
Other receivables	29,301,693	(209,142)	29,092,551
Deposits	893,570	(6,000)	887,570
Lease receivables	551,650	-	551,650
	30,746,913	**(215,142)**	**30,531,771**

	Gross carrying amount	Impairment loss allowances	Net balance
	RM	RM	RM
2024			
Other receivables	6,511,771	(1,005,851)	5,505,920
Deposits	346,475	(6,000)	340,475
Lease receivables	2,114,247	-	2,114,247
	8,972,493	**(1,011,851)**	**7,960,642**

The movement of allowance account used to record the impairment are as follows:

	Other receivables	Deposits	Total
	RM	RM	RM
Balance at 1 April 2023	780,049	6,000	786,049
Impairment loss recognised	225,802	-	225,802
Balance at 31 March 2024/1 April 2024	1,005,851	6,000	1,011,851
Reversal of impairment loss	(796,709)	-	(796,709)
Balance at 31 March 2025	**209,142**	**6,000**	**215,142**

Cash and cash equivalents

Risk management objectives, policies and processes for managing the risk

The cash and cash equivalents are held with banks and financial institutions.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Recognition and measurement of impairment loss

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Company is of the view that the loss allowance is not material and hence, it is not provided for.

Inter-company balances

Risk management objectives, policies and processes for managing the risk

The Company trades with its ultimate holding company and related companies and provides advances to a

related company. The Company monitors the results of the related companies and ultimate holding company on individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Recognition and measurement of impairment loss

Generally, the Company considers receivables from its ultimate holding company and related companies to have low credit risk. The Company assumes that there is a significant increase in credit risk when the financial position of its ultimate holding company and related companies deteriorate significantly. As the Company is able to determine the timing of payments of the balances when they are payable, the Company considers the balances to be in default when the ultimate holding company and related companies are not able to pay when demanded. The Company considers the ultimate holding company's or a related company's balances to be credit impaired when:

- The ultimate holding company or a related company is unlikely to repay its balance to the Company in full.
- The ultimate holding company or a related company is continuously loss making and is having a deficit shareholder's fund.

The Company determines the profitability of default for the receivables individually using internal information available.

The following table provides information about the exposure to credit risk for inter-companies balances.

	Gross carrying amount	Impairment loss allowance	Net balances
	RM	RM	RM
2025			
Amount due from ultimate holding company	249,768	-	249,768
Amount due from related companies			
- Trade	63,673,806	-	63,673,806
- Non-trade	2,748,990	-	2,748,990
	66,672,564	**-**	**66,672,564**
2024			
Amount due from ultimate holding company	54,288,618	-	54,288,618
Amount due from related companies			
- Trade	31,844,521	-	31,844,521
- Non-trade	2,775,388	-	2,775,388
	88,908,527	**-**	**88,908,527**

The Company did not recognise any allowances for impairment loss as the Company is of the view that the loss allowances is not material and hence, it is not provided for.

15. Financial instruments (continued)

15.5 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's exposure to liquidity risk arises principally from its various payables.

The Company maintains a level of cash and cash equivalents deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Maturity analysis

The table below summarises the maturity profile of the Company's financial liabilities and lease liabilities as at the end of the reporting period:

	Carrying amount	Discount Rate	Contractual cash flows	Under 1 year	More than 1 year
2025	**RM**	**%**	**RM**	**RM**	
Non-derivative financial liabilities					
Lease liabilities	3,343,671	3.59 – 5.50	3,343,978	1,331,311	2,012,667
Trade payables	44,747,382	-	44,747,382	44,747,382	-
Other payables	37,660,774	-	37,660,774	37,660,774	-
	85,751,827		**85,752,134**	**83,739,467**	**2,012,667**
2024					
Non-derivative financial liabilities					
Lease liabilities	2,183,278	3.59 - 4.90	2,183,278	2,183,278	-
Trade payables	28,231,932	-	28,231,932	28,231,932	-
Other payables	23,928,060	-	23,928,060	23,928,060	-
	54,343,270		**54,343,270**	**54,343,270**	**-**

15.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates that will affect the Company's financial position or cash flows. The Company is not exposed to other price risk.

15.6.1 Currency risk

The Company is exposed to foreign currency risk on services rendered that are denominated in a currency other than the functional currency of the Company. The currencies giving rise to this risk are primarily United States Dollar ("USD") and Euro Dollar ("EUR").

Risk management objectives, policies and processes for managing the risk

The Company ensures that the net exposure is kept to an acceptable level by monitoring the fluctuation of the foreign currency.

Exposure to foreign currency risk

The Company's exposure to foreign currency (a currency which is other than the functional currency of the Company) risk, based on carrying amounts as at the end of the reporting period are as follows:

	USD	EUR
2025	**RM**	**RM**
Balances recognised in the statement of financial position		
Cash and cash equivalents	5,391,995	-
Trade receivables	19,110,539	88,489
Other receivables	2,748,990	-
Trade payables	1,257,692	-
	28,509,216	**88,489**
2024		
Balances recognised in the statement of financial position		
Cash and cash equivalents	1,830,151	-
Trade receivables	17,460,635	775,921
Other receivables	2,775,388	-
Trade payables	247,884	-
	22,314,058	**775,921**

Currency risk sensitivity analysis

A 5% (2024: 5%) strengthening of USD and EUR against the following currencies at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remained constant.

	Profit or loss	
	2025	2024
	RM	RM
USD	1,357,582	1,062,574
EUR	4,214	36,949
	1,361,796	**1,099,523**

A 5% (2024: 5%) weakening of USD and EUR against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

15.6.2 Interest rate risk

The Company's fixed rate borrowings are exposed to a risk of change in their fair values due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period, was:

	2025	2024
	RM	RM
Fixed rate instruments		
Financial assets	2,748,990	9,679,695

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting year would not affect profit or loss.

15.7 Fair value information

The carrying amounts of cash and cash equivalents and short term receivables and payables reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

16. Capital management

The Company's objectives when managing capital is to maintain a strong capital base and safeguard the Company's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

There was no change in the Company's approach to capital management during the financial year.

17. Related parties

Significant related party transactions

Related parties transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Company are shown below. The balances related to the transactions are shown in Notes 4 and 9.

		2025	2024
		RM	RM
A.	**Ultimate holding company**		
	Service income charged to ultimate holding Company	161,083,195	145,459,244
	Reimbursement of expenses	(13,011,094)	(6,642,728)
B.	**Related company**		
	Interest income	149,553	96,983
C.	**Key management personnel**		
	Directors' fees	10,000	10,000

STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

In the opinion of the Directors, the financial statements set out on pages 1344 to 1346 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 March 2025 and of its financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

……..

MANISH KUMAR PATAWARI

Director

……..

LAL AKSHAYKUMAR ASHOK

Director

Date: 12 June 2025

STATUTORY DECLARATION PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, **LAL AKSHAYKUMAR ASHOK**, the Director primarily responsible for the financial management of Tech Mahindra ICT Services (Malaysia) Sdn. Bhd., do solemnly and sincerely declare that the financial statements set out on pages 1344 to 1346 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the provisions of the Singapore's Oaths and Declarations Act (Cap 211).

Subscribed and solemnly declared by the abovenamed LAL AKSHAYKUMAR ASHOK, passport no: 124993210 in Singapore on 12 June 2025.

……..

LAL AKSHAYKUMAR ASHOK

Before me:

TECH MAHINDRA SWEDEN AB

Board of Directors
Mr. Gaurav Gupta
Mr. Rajesh Premraj Barwal
Mr. Niraj Akhouri

Registered Office
8th Floor, Master Samuelsgatan 42
111 57 Stockholm Sweden

Auditor
KPMG

Bankers
Citibank Plc

AUDITOR'S REPORT

To the general meeting of the shareholders of Tech Mahindra Sweden AB, corp. id 559063-4043

Report on the annual accounts

Opinions

We have audited the annual accounts of Tech Mahindra Sweden AB for the financial year 2024-04-01—2025-03-31.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of Tech Mahindra Sweden AB as of 31 March 2025 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Tech Mahindra Sweden AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden 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 accounts.

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 annual accounts, 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 opinions. 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 the company's internal control relevant to our 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 Board of Directors and the Managing Director.

- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any 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 accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. 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 accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and the Managing Director of Tech Mahindra Sweden AB for the financial year 2024-04-01—2025-03-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Tech Mahindra Sweden AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other things continuous assessment of the company's financial matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Stockholm 23 June 2025

Hans Blom
Authorized Public Accountant
KPMG AB

INCOME STATEMENT

Note	Particulars	31-03-2025 (SEK)	31-03-2024 (SEK)
	OPERATING INCOME		
	Net turnover	**216,054,541**	206,065,702
	Other income	**(1,216,406)**	(1,326,157)
	Total income	**214,838,135**	204,739,545
	OPERATING EXPENSES		
2	Personnel costs	**102,900,887**	107,481,244
	Sub Contracting Costs	**26,351,240**	27,594,098
4	Depreciation and amortisation	**335,042**	8,741
	Other operating expenses	**73,021,464**	57,757,016
	Total operating expenses	**202,608,633**	192,841,099
	Operating profit/(loss)	**12,229,502**	11,898,446
	Tax on profit for the year	**2,582,957**	2,520,747
	Profit/(loss) on ordinary activities	**9,646,545**	9,377,699

BALANCE SHEET

NOTE	ASSETS	3/31/2025 (SEK)	3/31/2024 (SEK)
	Tangible fixed assets		
4	Equipment,Tools,Fixtures and fittings	**1,367,248**	321,495
		1,367,248	321,495
	Non Current assets	**29,648,405**	34,805,870
	Current Receivables		
	Accounts Receivables	**80,114,304**	33,108,736
	Current asset	**37,657,553**	15,763,347
	Current tax asset	**1,078,461**	3,581,302
5	Other receivable	**2,599,977**	1,563,552
		121,450,295	54,016,937
	Cash & Cash Equivalent	**759,241**	28,505,476
	Total Current Assets	**122,209,536**	82,522,413
	TOTAL ASSETS	**153,225,189**	117,649,778
	SHAREHOLDERS EQUITY AND LIABILITIES		
	Shareholders equity		
	Restricted equity		
3	Share Capital	**272,500**	272,500
	Other Equity	**44,277,500**	44,277,500
		44,550,000	44,550,000
	Non-restricted equity		
	Profit or loss carried forward	**23,324,543**	13,946,844
	Profit for the year	**9,646,545**	9,377,699
		32,971,088	23,324,543
	Total Equity	**77,521,088**	67,874,543
	Current liabilities		
	Liabilities to group companies	**2,772,434**	(361,504)
	Accrued expenses & deferred income	**72,931,668**	50,136,739
		75,704,102	49,775,235
	TOTAL SHAREHOLDERS EQUITY AND LIABILITIES	**153,225,190**	117,649,778

CASH FLOW STATEMENT

ASSETS	3/31/2025 (SEK)	3/31/2024 (SEK)
Cash flow from operations		
Profit after income tax	**9,646,545**	9,377,699
Non Cash Items Adjustments	**5,157,466**	3,462,367
Depreciation	**335,042**	8,741
Changes in Working Capital	**-41,504,491**	33,441,412
Net cash flow from operations	**-26,365,438**	46,290,218
Cash flow from investments		
Purchase of fixed assets	**-1,380,794**	-330,232
Purchase of other investments	**-**	-38,268,237
Net cash flow from investments	**-1,380,794**	-38,598,468
Cash flow from financing	**-**	-
Net cash flow from financing	**-**	-
Exchange gains / (losses) on cash and cash equivalents		
Net change in cash and cash equivalents	**-27,746,233**	7,691,750
Cash and cash equivalents at the beginning of the period	**28,505,476**	20,813,726
Cash and cash equivalents at the end of the period	**759,243**	28,505,476

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

Note 1 Accounting policies

Note Amount in SEK/SEK unless otherwise stated

The financial statements have been prepared in accordance with the Annual Accounts Act and general advice from Swedish Accounting Standards Board BFNAR 2012:1 Annual accounts and consolidated accounts.

The policies are unchanged compared with the previous year.

Revenue recognition

Revenue relates to income from sub-contracting activities relating to rendering of IT services on behalf of the Parent Company 'Tech Mahindra Limited'.

Revenue is recognised on the basis of reimbursement of costs incurred plus markup.

Revenue is measured at the fair value of the consideration received or receivable.

Receivables

Receivables are recorded in the amounts at which they are expected to be received.

Other assets, provisions & liabilities

Other assets, provisions & liabilities are recorded at cost of acquisition unless otherwise stated below.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and bank balances which are recognised at nominal value.

Tangible Fixed Assets

Tangible Fixed Assets are recorded at cost of acquisition less accumulated depreciation and any write downs.

The assets are depreciated on straight line basis over the estimated useful life apart from land, which is not depreciated.

The useful life is reviewed at every balance sheet date. The useful life of computers and laptops is 3 years.

Other expenses

Other expenses are recognised in the same period as the revenue to which they relate.

Income taxes

Current tax is income tax for the current financial year that refers to the year's taxable earnings.

Current tax is stated at the probable amount according to the tax rates and tax rules applicable on the Balance Sheet date.

Foreign currency translation

Monetary receivables and liabilities in foreign currencies have been restated at the closing rate.

Exchange differences arising on settlement or restatement of monetary items are recognised in the income statement in the financial year in which they occur, either as an operating item or a financial item, on the basis of the underlying business transaction.

Note 2 Personnel costs

Number of employees, benefits, loan to employees etc.

	31-Mar-25	31-Mar-24
Average number of employees:	**96**	92
The average number of employees is based on hours worked related to normal working hours paid for by the company.		

Payroll costs	**2024/2025**	**2023/2024**
Wages and salaries	**72,295,205**	67,400,108
Social security tax	**22,646,179**	21,040,600
Pension costs	**2,315,727**	11,673,025
Other benefits	**5,643,775**	7,367,511
Total	**102,900,887**	107,481,244

Note 3 Share capital and shareholder information

The share capital in the company at 31 March 2024 consists of the following classes:

Ownership structure

All shares are owned by Tech Mahindra Limited

		Ownership share	Voting share
Tech Mahindra Limited	SEK 272,500	100%	100%
Face value per share	SEK 100		
Total number of shares	2,725	100%	100%

Tech Mahindra Sweden AB, is a wholly owned subsidiary of Tech Mahindra Limited, CIN number: L64200MH1986PLC041370

The entire share capital of the company is held by Tech Mahindra Limited (www.techmahindra.com), having its registered office at Gateway Building, Apollo Bunder, Mumbai 400 001, India.

In FY 2022-23, the company has received 32 Mn SEK from the partent company Tech Mahindra Limted as Share Application Money. During the current year the comany allotted additional 1600 share of 100 SEK each along with share premium.

Note 4 Tangible fixed assets

Particulars	**2024/2025**	**2023/2024**
Opening cost of acquisition	**356,454**	26,222
Additions	**1,380,794**	330,232
Closing accumulated cost of acquisition	**1,737,248**	356,454
Opening depreciation	**(34,959)**	-26,218
Depreciation for the year	**(335,042)**	-8,741
Closing Accumulated depreciation	**(370,001)**	(34,959)
Net Block of Fixed Assets	**1,367,247**	321,494

Note 5 Previous year comparatives

Previous year amounts have been reclassified wherever necessary, to conform to current year presentation.

DEFINITIONS OF BUSINESS AND FINANCIAL RATIOS

	2024/2025	2023/2024
Equity-assets ratio	**21.52%**	19.83%

Note 6 Related party transactions

Tech Mahindra Limited

	2024/2025	2023/2024
Net turnover	216,054,541	206,065,702
Receivable from group companies	30,019,837	20,097,693
Liabilities to group companies	2,772,434	-361,504

Note 7 Important events after the balance sheet date

No significant events have occurred after the balance sheet date

Note 8 Key Figure Definitions

This note defines the key figures contained in the Board of Directors' report.

Equity ratio: (Total equity + equity portion of untaxed reserves) / Total assets

Stockholm
Date: 19-06-2025

Gaurav Gupta
Director

Rajesh Premral Barwal
Managing Director/Chairman

Niraj Akhori
Director

KPMG AB

Hans Blom.
Authorised Signatory
Date: 19.06.2025

TECH MAHINDRA VIETNAM COMPANY LIMITED

Board of Directors
Srinivasa Raghavan Venugopal

Registered office
Himlam Business Centre, 21st Floor,
Capital Tower, No.109 Tran Hung Dao,
Cua Nam Ward, Hoan Kiem District,
Ha Noi City, Vietnam.

Auditor
BDO AUDIT SERVICES CO.,LTD

Bankers
Citibank, N.A. - Hanoi Branch,
Vietnam 40 Cat Linh Street,
Cat Linh Ward Dong Da District,
Hanoi, Vietnam

TECH MAHINDRA VIETNAM COMPANY LIMITED

GENERAL INFORMATION OF THE COMPANY

Tech Mahindra Vietnam Co., Ltd. (hereafter referred as "the Company") is a limited liability company with one member incorporated under the Law on Enterprise of Vietnam pursuant to the Investment Certificate No. 6557776707 dated 24 January 2017, the fourth amendment on 11 January 2023.

According to the Law on Enterprises, the Company has registered its business in accordance with Business Registration Certificate No. 0107775095 dated 23/03/2017 issued by Hanoi Department of Planning and Investment. During the course of operation, changes in business activities have been approved by Hanoi Department of Planning and Investment at Business Registration Certificates from the first to third amendment, the third amendment certificate dated 01 March 2023.

MEMBER OF COUNCIL

Member of Council during the financial year and as the date of the report were:

Name	Position
Mr. Srinivasa Raghavan Venugopal	Chairman
Mr. Gautam Shirali	Member
Mr. Manish Goenka	Member

BOARD OF MANAGEMENT

Members of Board of Management during the financial year and as the date of the report were:

Name	Position
Mr. Srinivasa Raghavan Venugopal	Director

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report was Mr. Srinivasa Raghavan Venugopal - Director.

OFFICE FOR REGISTRATION

The Company's head office is at Him Lam Business Center, 21st Floor, Capital Tower, 109 Tran Hung Dao, Cua Nam Ward, Hoan Kiem District, Hanoi.

AUDITORS

BDO Audit Services Co., Ltd. was selected to audit the Financial Statements for the year ended 31 March 2025 of Tech Mahindra Vietnam Co., Ltd.

The Board of Management of Tech Mahindra Vietnam Limited (the "Company") presents this report together with the financial statements of the Company for the year ended 31 March 2025.

RESPONSIBILITIES OF THE BOARD OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

The Board of Management of the Company is responsible for preparing the financial statements, which give a true and fair view of the Company's financial position as at 31 March 2025 as well as its operations results and its cash flows for the financial year then ended. The Board of Management believes there are no contingent events that may affect the going concern of the Company. In preparing the Financial Statements, the Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State applicable accounting principles that have been followed, any material deviations (if any) discovered and explained in the Financial Statements;
- Prepare the Financial Statements on going concern basis unless it is inappropriate to presume that the Company will continue in business.

The financial statements are free from material misstatement, whether due to fraud or error.

The Board of Management is responsible for ensuring that accounting books are kept adequately to give a true and fair view of the financial position of the Company and to ensure that the accompanying financial statements of the Company

were prepared in accordance with Vietnamese Accounting Standards, current Corporate Accounting System of Vietnam and relevant legal regulations. The Board of Management is also responsible for safeguarding the Company's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Management is also responsible for safeguarding the assets of the Company and has therefore taken reasonable steps to prevent and detect fraud and other irregularities.

The Board of Management confirms that it has complied with the above requirements in preparing financial statements.

APPROVAL OF FINANCIAL STATEMENTS

The Board of Management approves the financial statements for the year ended 31 March 2025, attached from page 1388 to page 1405. In the opinion of the Board of Management, the audited financial statements (attached) gives a true and fair view of the financial position of the Company as at 31 March 2025 as well as its results of operations and cash flows for the year then ended.

Hanoi, 17 June 2025

For and on behalf of the Board of Management
Srinivasa Raghavan Venugopal
Director

INDEPENDENT AUDITORS' REPORT

Financial Statements of Tech Mahindra Vietnam Co., Ltd.
for the financial year ended 31 March 2025

To: MEMBER OF COUNCIL AND THE BOARD OF MANAGEMENT
TECH MAHINDRA VIETNAM CO., LTD.

We have audited the accompanying financial statements of Tech Mahindra Vietnam Co., Ltd. dated 17 June 2025 including: Balance Sheet as at 31 March 2025, Income Statement, Statement of Cash Flow and Notes to the Financial Statements for the financial year then ended, which are set out on page 1388 to page 1405.

Responsibilities of the Board of Management

The Board of Management is responsible for the preparation and fair presentation of the Company's financial statements in accordance with Vietnamese accounting standards, Vietnamese Corporate accounting system and other prevailing legal regulations, and for such internal control as the Board of Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or errors.

Responsibilities of Auditors

Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgments, including the assessment of the risks of material misstatements on the financial statements, whether due to fraud or errors. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion of Auditors

In our opinion, in all material respects, the accompanying financial statements give a true and fair view of the financial position of Tech Mahindra Vietnam Co., Ltd. as at 31 March 2025, and of its financial performance and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other prevailing legal regulations on preparation and presentation of the Financial Statements.

BDO AUDIT SERVICES CO., LTD.

Pham Tien Hung	**Pham Hong Minh**
General Director	**Auditor**
Certificate for Audit application registration:	Certificate for Audit application registration:
0752-2023-038-1	3356-2025-038-1

BALANCE SHEET AS AT 31 MARCH 2025

UNIT: VND

ASSETS	Code	Notes	Closing Balance	Opening Balance
A. CURRENT ASSETS	**100**		**592,998,085,480**	723,352,270,586
I. Cash and cash equivalents	**110**	V.1	**232,186,047,746**	37,277,993,506
1. Cash	111		**122,186,047,746**	37,277,993,506
2. Cash and cash equivalents	112		**110,000,000,000**	-
II. Short-term financial investments	**120**		**-**	220,000,000,000
1. Held to maturity investments	123	V.2	**-**	220,000,000,000
III. Current receivables	**130**		**354,070,259,863**	437,647,656,583
1. Trade receivables	131	V.3.1	**347,975,588,314**	439,622,468,497
2. Prepayments to suppliers	132	V.3.2	**5,837,953,442**	521,922
3. Other current receivables	136		**796,118,107**	557,908,614
4. Provision for doubtful debt	137	V.3.3	**(539,400,000)**	(2,533,242,450)
IV. Inventories	**140**		**-**	20,246,841,410
1. Inventory	141	V.4	**-**	20,246,841,410
V. Other current assets	**150**		**6,741,777,871**	8,179,779,087
1. Short-term prepaid expenses	151	V.5.1	**6,741,777,871**	8,179,779,087
2. Taxes and other receivables from the State	153		**-**	-
B. NON-CURRENT ASSETS	**200**		**25,288,524,628**	42,598,729,381
I. Tangible assets	**220**	V.6	**23,268,802,982**	35,972,176,502
1. Tangible assets	221		**23,268,802,982**	35,972,176,502
- *Historical cost*	222		***88,916,057,678***	*88,916,057,678*
- *Accumulated depreciation (*)*	223		***(65,647,254,696)***	*(52,943,881,176)*
II. Other non-current assets	**260**		**2,019,721,646**	6,626,552,879
1. Long-term prepaid expenses	261	V.5.2	**1,359,893,617**	5,966,724,850
2. Deffered tax assets	262		**659,828,029**	659,828,029
TOTAL ASSETS	**270**		**618,286,610,108**	765,950,999,967

BALANCE SHEET AS AT 31 MARCH 2025 (Contd.)

UNIT: VND

RESOURCES	Code	Notes	Closing balance	Opening balance
C. LIABILITIES	**300**		**535,659,733,271**	**633,233,507,436**
I. Current liabilities	**310**		**535,659,733,271**	**633,233,507,436**
1. Trade payables	311	V.7	**497,933,825,812**	600,487,780,258
2. Taxes and duties to the State	313	V.8	**503,013,080**	15,320,734,672
3. Payables to employees	314		**205,599,666**	-
4. Accrued expenses	315	V.9	**23,374,892,820**	4,102,482,630
5. Other short-term payables	319	V.10	**774,401,893**	848,509,876
6. Short-term loans and finance lease liabilities	320	V.11	**12,868,000,000**	12,474,000,000
D. OWNERS' EQUITY	**400**		**82,626,876,837**	**132,717,492,531**
I. Owner's equity	**410**	**V.12**	**82,626,876,837**	**132,717,492,531**
1. Contributed capital	411		**23,840,000,000**	23,840,000,000
2. Undistributed post-tax profits	421		**58,786,876,837**	108,877,492,531
- Undistributed post-tax profits accumulated by end of previous year	421a		***88,630,651,121***	*78,639,054,358*
- Undistributed post-tax profits of current year	421b		***(29,843,774,284)***	*30,238,438,173*
TOTAL RESOURCES	**440**		**618,286,610,109**	**765,950,999,967**

Nguyen Hoang Tu	**Nguyen Cong Vinh**	**Srinivasa Raghavan Venugopal**
Preparer	Chief Accountant	Director

Hanoi, 17 June 2025

TECH MAHINDRA VIETNAM COMPANY LIMITED

INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

ITEMS		Code	Notes	Current Year	Previous Year
1.	Revenue from sales of goods and rendering of services	01	VI.1	**235,141,873,580**	232,446,412,392
2.	Revenue deductions	02		**-**	-
3.	**Net revenue from sales of goods and rendering of services**	**10**		**235,141,873,580**	232,446,412,392
4.	Cost of goods sold and services rendered	11	VI.2	**193,061,799,918**	194,503,156,004
5.	**Gross revenue from sales of goods and rendering of services**	**20**		**42,080,073,662**	37,943,256,388
6.	Financial income	21	VI.3	**966,505,491**	7,542,969,275
7.	Financial expenses	22	VI.4	**26,181,465,327**	1,370,321,097
	- *In which: Interest expenses*	23		**929,875,853**	601,024,436
8.	Selling expenses	25	VI.6	**565,976,603**	-
9.	Administrative and general expenses	26	VI.5	**23,123,870,706**	11,684,954,872
10.	**Net profit from operating activities**	**30**		**(6,824,733,483)**	32,430,949,694
11.	Other incomes	31		**283,857,355**	295
12.	Other expenses	32	VI.7	**8,013,709,979**	5
13.	**Other profit/(loss)**	**40**		**(7,729,852,624)**	290
14.	**Total pre-tax profit**	**50**		**(14,554,586,107)**	32,430,949,984
15.	Current corporate income tax expenses	51	VI.9	**15,289,188,177**	2,192,511,811
16.	Deferred corporate income tax expenses	52		**-**	-
17.	**Profit after corporate income tax**	**60**		**(29,843,774,284)**	30,238,438,173

Nguyen Hoang Tu	**Nguyen Cong Vinh**	**Srinivasa Raghavan Venugopal**
Preparer	Chief Accountant	Director

Hanoi, 17 June 2025

STATEMENT OF CASH FLOW FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

(Indirect method) Unit: VND

ITEMS		Code	Notes		Previous Year
I.	**CASH FLOWS FROM OPERATING ACTIVITIES**				
1.	**(Loss)/Profit before tax**	**01**		**(14,554,586,107)**	32,430,949,984
2.	**Adjustments for:**				
-	Depreciation and amortisation	02		**12,703,373,520**	12,703,373,520
-	Provision	03		**(1,993,842,450)**	2,533,242,450
-	Profits/losses of exchange rate differences from revaluation of accounts derived from foreign currencies	04		**23,775,398,251**	(1,950,680,212)
-	Gain/loss from investing activities	05		**(966,505,491)**	(5,429,586,481)
-	Interest expenses	06		**929,875,853**	601,024,436
-	Other adjustment	07		**-**	191,985,328
3.	**Operating income before changes in working capital**	**08**		**19,893,713,576**	41,080,309,025
-	Increase/decrease in receivables	09		**305,571,239,170**	(134,917,117,188)
-	Increase/decrease in inventories	10		**-**	(17,544,209,999)
-	Increase/decrease in payables (other than interest expenses, corporate income tax payables)	11		**(121,290,513,210)**	(98,394,343,476)
-	Increase/decrease prepaid expenses	12		**6,044,832,449**	2,850,365,364
-	Corporate income tax paid	15		**(16,277,723,236)**	(1,353,232,280)
	Net cash flows from operating activities	20		**193,941,548,749**	(208,278,228,554)
II.	**CASH FLOWS FROM INVESTMENT ACTIVITIES**				
1.	Additions to fixed assets and other long-term assets	21		**-**	-
2.	Loans to and payments for purchase of debt instruments of other entities	23		**-**	130,000,000,000
3.	Proceeds from loans, dividends, profit	27		**966,505,491**	5,429,586,481
	Net cash flows from investment activities	**30**		**966,505,491**	135,429,586,481
III.	**CASH FLOW FROM FINANCIAL ACTIVITIES**				
	Net cash flows from financial activities	**40**		**-**	-
	NET CASH INFLOWS	**50**		**194,908,054,240**	(72,848,642,073)
	Cash and cash equivalents at the beginning of the year	**60**	**V.1**	**37,277,993,506**	110,126,635,579
	Impact of exchange rate difference	61		**-**	-
	Cash and cash equivalents at the end of the year	**70**	**V.1**	**232,186,047,746**	37,277,993,506

Nguyen Hoang Tu	**Nguyen Cong Vinh**	**Srinivasa Raghavan Venugopal**
Preparer	Chief Accountant	Director

Hanoi, 17 June 2025

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 March 2025

I. CORPORATE INFORMATION

1. Owner's equity

Tech Mahindra Vietnam Company Limited (hereafter referred as "the Company") is a one-member limited liability company incorporated under the Law on Enterprise of Vietnam with duration of 10 years pursuant to the Investment Certificate No. 6557776707 dated 24 January 2017 and Business Registration dated 23 March 2017 issued by Hanoi Department of Planning and Investment. Parent Company is Tech Mahindra Limited, with the operating license No. 041370 dated 24/10/1986 in India, the head office is located at Gateway Building, Apollo Bunder, Mumbai - 400001, Maharashtra, India.

The information about investors are as follows:

		Capital Contributed	
Investors	**Under Investment License (USD)**	**Ownership Proportion**	**As at 31 March 2025**
Tech Mahindra Limited	1,050,000	100%	1,050,000

2. Principal activities of the Company

- Software manufacturing;
- IT services and other services related to computers;
- Implementing the retailing distribution right (without establishing retail outlets) of the goods with HS code 8471.

3. Normal operating cycle

The operating cycle is the average period of time required for a business to make an initial outlay of cash to produce goods, sell the goods or serives, and receive cash from customers in exchange for the goods or services. Normal operating cycle of the Company is 12 months.

4. Employee

The total number of employees of the Company as at 31 March 2025 is 16 persons (as of 31 March 2024 is 22 persons).

II. ACCOUNTING PERIOD, ACCOUNTING CURRENCY

1. Accounting period

The Company's accounting period is from 01 April N-1 to 31 March N.

2. Accounting currency

The Company maintains its accounting records in Vietnamese Dong (VND).

III. APPLICABLE ACCOUNTING SYSTEM AND ACCOUNTING STANDARDS

1. Accounting framework

The Company applies Vietnamese Corporate Accounting System issued accompanying with Circulars No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance, and Circular 53/2016 TT-BTC dated 21/03/2016 issued by the Ministry of Finance for modifying, supplementing some articles of Circular No. 200/2014/TT-BTC.

Financial statements are prepared under historical cost principle and in accordance with Vietnamese Accounting Standards. The accompanying financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

2. Declaration on compliance with accounting standard and accounting system

The Board of Management ensures that the financial statements have been prepared and presented in accordance with the requirements of the Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and other prevailing legal regulations guiding the preparation and presentation of financial statements.

IV. APPLICABLE ACCOUNTING POLICIES

1. Exchange rates applied in accounting system

- Commercial bank the Company selects to apply exchange rate in accounting is Citibank, N.A., Hanoi Branch (Citibank);

- Exchange rates applied in transaction recording comprise:

  Actual exchange rates at the time of incurred transaction:

  Shall be used to convert into currency recorded in accounting book for transaction of recording revenue, other income, operating expenses, other expenses, assets, other receivables, equity in cash, prepayments to buyers, payables, advance received from customers.

  In the case of sale of goods or provision of services related to revenue received in advance or receipts in advance from the buyer: Revenue, income corresponding to the amount received in advance will be applied at the actual transaction exchange rate at the time buyer's pre-emptive point.

  In case of buying assets related to prepaid transactions to sellers: The value of assets corresponding to the prepaid amount shall be the actual transaction exchange rates applicable at the time of advances to the sellers.

  Specific identification actual accounting book exchange rates:

  Shall be used to convert transactions into the accounting currency for ones recorded for decrease in: Receivables, Advances from customers due to the transfer of products, goods, fixed asets, services, accepted volume, Collaterals, Prepaid expenses, Payables, Advances to suppliers for products, goods, fixed assets, services received, accepted volume.

  Moving weighted average bookkeeping rate:

  Shall be used to convert into the currency recorded in accounting books in the Credit side of the cash accounts when making a payment in foreign currency.

- Actual exchange rates upon revaluation at the date of the financial statements:

  For monetary items derived from foreign currencies classified as assets: applied exchange rate is exchange rate of buying of Citibank as at 31 March 2025. For foreign currency deposited in bank, the actual exchange rate upon revaluation is exchange rate of the bank where the Company opens foreign currency accounts.

  For monetary items derived from foreign currencies classified as liabilities: applied exchange rate in revaluation is selling exchange rate announced by Citibank as at 31 March 2025.

Exchange rate difference in the year and difference from revaluation of monetary items denominated in foreign currencies are recognized as financial income or expenses in the year.

2. Recognition of cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposit and time deposit, cash in transit and short-term investments with maturity of less than three months that can be easily transferred to cash without any risks in transferring at the date of the report. The identification of cash and cash equivalents is in accordance with Vietnam Accounting Standard No. 24 "Cash Flow Statement".

3. Recognition of receivables

Receivables are amounts that can be collected from customers or other entities. Receivables are stated at carrying amount less provisions for bad debts.

The amounts of receivables shall be classified into trade receivables, other receivables following principles below:

- **Trade receivables:** include commercial receivables generating from purchase - sale related transactions;

- **Other receivables:** include non-commercial or non-trading receivables such as receivables from loans, deposits, dividends and profit distributed, payments entitled by third party, amounts that the entrusted party must collect for the entrusting party, receivables from lending the property, receivables for fines, compensations, assets awaiting resolution, and etc.

Monitoring receivables

Receivables shall be recorded specifically to original terms and remaining recovery terms as at the reporting date, original currencies and each object. At the financial statements' preparation date, receivables which have remaining recovery terms of less than 12 months or a business cycle are classified as current receivables, receivables which have remaining recovery terms of over 12 months or a business cycle are classified as non-current receivables.

Allowance for doubtful debts

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date, which are doubtful of being recovered. Increases and decreases to the provision balance are recorded as general and administrative expense in the Income statement.

4. Recognition of Inventory

Inventories are determined based on the lower of cost and net realizable value. The price of inventories comprises all costs of purchases, costs of conversion and other costs directly related to bringing the inventories to the location and current status. The net realizable value is determined as the estimated selling price minus (-) the estimated costs to complete the product and the estimated costs necessary for consumption.

5. Recognition of prepaid expenses

Prepaid expenses are expenses which have actually incurred yet are related to operational outputs of many accounting periods and the transfer of these expenses to operating expenses of subsequent accounting periods.

Prepaid expenses include internet costs, warranty provision expenses, tools, etc. and other expenses in the course of business operations of the Company. These expenses are considered capable future economic benefits of the Company. These costs are amortized to the income statement on a straight-line basis based on the Company's estimated useful lives or time to recovery.

Each prepaid expense incurred shall be recorded in details of maturity. As at the reporting date, prepaid expenses that have maturity of less than 12 months or a business cycle since the date of prepayment are classified as current prepaid expenses, expenses that have maturity of over 12 months or a business cycle since the date of prepayment are classified as non-current prepaid expenses.

6. Recognition of fixed assets and depreciation

Fixed assets are stated at historical cost and accumulated depreciation.

The historical cost of tangible fixed asset comprises of its purchase price and any directly attributable costs to bring the tangible fixed assets into work condition for its intended use. The identification of the historical cost of each category of tangible fixed assets is in accordance with Vietnam Accounting Standard No. 03 on tangible fixed assets.

Costs incurred after initial recognition such as maintenance and repairs are charged to the income statement as incurred. In situations where can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of tangible fixed assets beyond its originally assessed standard of performance, the expenditure is capitalized as an additional cost of tangible assets.

When fixed assets are sold or proposed, their cost and accumulated depreciation are eliminated from the Balance Sheet and any gain or loss arising from the disposal of fixed assets are accounted for in the income statement.

Depreciation of tangible assets and intangible assets is calculated using the straight-line method, in accordance with the Circular 45/2013/TT-BTC dated 25 April 2013 of the Finance Ministry and Circular 147/2016/TT-BTC dated 13 October 2016 of the Finance Ministry promulgating on management and use of fixed assets depreciation. Estimated useful lives of fixed assets are as follows:

Assets	**Useful life**
Machinery and Equipment	07 years
Office Equipment	03 years

7. Recognition of payables

Payables are stated at cost. The amount of payable shall be classified into trade payable and other payables following principles below:

- **Trade payables:** include commercial payables arisen from purchases of goods, services or assets.
- **Other payables:** include non-commercial payable amounts, or payable amounts that are not related to trading in goods or services (such as payables by a third party, payables arising from borrowing assets, fines and compensation payable, assets awaiting resolution, payables on social insurance, health insurance, unemployment insurance, union funds and etc.).

Accounts payable are tracked in detail by original term, remaining term at the reporting time, original currency and each object. At the balance sheet date, a liability with a remaining maturity of not more than 12 months or a business cycle is classified as a short-term liability, a liability with a maturity of more than 12 months, or a business cycle. business period is recorded as a long-term payable.

Accounts payable that satisfy the definition of currencies denominated in foreign currencies: Revaluated as at 31 March 2025 at actual exchange rates at the end of the period (See Notes IV.1).

Monitoring payables

Payables shall be specially recorded to original terms and remaining terms as at the reporting date, original currencies and each object. At Financial Statement's preparation date, payables that have remaining repayment terms of less than 12 months or a business cycle are classified as current payables, payables that have remaining repayment terms of over 12 months or a business cycle are classified as non-current payables.

Recognized payables shall be not lower than payable obligations.

8. Recognition of borrowings and finance lease liabilities

Borrowings and finance lease liabilities shall be specially recorded to each object, terms, original currencies. As at the consolidated financial statement's preparation date, borrowings and finance lease liabilities that have remaining repayment terms of less than 12 months or a business cycle are classified as current borrowings and finance lease, ones that have remaining repayment terms of over 12 months or a business cycle are classified as non-current borrowings and finance lease liabilities.

Borrowings and finance lease liabilities that satisfy the definition of monetary items denominated in foreign currencies: Revalued as at 31/03/2025 at actual exchange rates at the end of the period (See Notes IV.1).

Recognition of borrowing expenses:

Borrowing expenses include interest expenses and expenses directly relating to the borrowings (such as appraisal costs, audit costs, loan application cost and etc.).

Borrowing expenses are recognized as financial expenses during the period as incurred (except capitalization cases according to regulations in Vietnam Accounting Standards No. 16 "Borrowing Expenses").

9. Recognition of accrued expenses

Accrued expenses include expenses that have been recorded into the operating cost, but not actually paid at the end of the financial year to ensure the consistency between revenues and expenses. Accrued expenses are recorded based on the reasonable estimation of amount payable for received goods and services including expenses for audit fee, tax and accounting service fee, and etc.

10. Recoginition of provision for liabilities

A provision is recognized 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. Recognized provision satisfies conditions in Vietnam Accounting Standard 18 "Provision, Contingent Assets and Liabilities".

11. Recognition of owner's equity

Recognition of owner's equity

Owner's equity is recognized under actual contribution of investors. The actual amount of contribution capital as at 31/03/2025 is USD 1,050,000, which equivalent to VND 23,840,000,000.

Recognition of retained earnings

Retained earnings reflect the business results (profit, loss) after corporate income tax and profit sharing situation or dealing with loss of the Company. Retained earnings shall be specifically recorded to the operational results of each financial year (previous year, current year) and to each profit sharing content (appropriated funds, additional investment capital of the owner, dividends, profits for shareholders and investors).

12. Recognition of revenue

Revenue from sales of goods

Revenue from sales of goods is recognized when the outcomes of such transactions can be reliably measured and the Company is able to obtain economic benefits from these transactions. Revenue is recognized when the majority of risks and benefits of ownership of the goods have been transferred to the buyer. No revenue is recognized if there are significant uncertainties regarding the recovery of the funds or the possible return of funds.

Revenue from rendering of services

Revenue from the rendering of services is recognized when the outcome of such transactions is reliably determined. When the contract result can be reliably determined, revenue will be recognized based on the level of completion of the work. The level of completion of work is determined by the percentage of number of working hours incurred up to the end of the accounting period in relation to the total estimated hours worked for each contract.

If the contract cannot be reliably determined, revenue will only be recognized at the recoverable amount of the costs recognized.

Service revenue is recognized when the outcome of the transaction can be reliably measured. Revenue from services is determined by adding a percentage of the actual costs incurred, minus interest expenses, exchange rate differences and current corporate income tax expenses service during the period. The plus rate agreed on the contract is 8%.

Financial income

Financial income includes interest on deposits, loan interests, dividends and profits distributed, rental income and income from securities trading activities.

Interest on deposits and loan interest is recognized on the basis of the actual time and interest rate in each period, unless the possibility of recovering interest is uncertain.

13. Recognition of cost of goods sold

Cost of goods sold represent cost of goods/service provision in the year. Cost of goods sold is recognized on matching principle between revenue and expenses.

14. Recognition of financial expenses

Financial expenses include: expenses or losses related to borrowing expenses, exchange rate losses.

Interest expenses (including accrued interests), losses on the exchange rate differences of the reporting period are fully recognized in the period.

15. Recognintion of Administrative expenses

General and administrative expenses are general management expenses, including salaries and social insurance, health insurance, trade union funds, unemployment insurance for administrative employees (salaries, wages, allowances and etc.); expenses for office supplies, labour tools; rental fee; outsourced services (electricity, water, telephone, fax, audit fee, tax and accounting service fees and etc.).

16. Tax accounting principles

Current Corporate Income Tax

Current income tax expenses are determined on the basis of taxable income. Corporate income tax (CIT) applicable to the Company is as follows:

Regarding taxable income from software manufacturing activities:

The CIT rate applicable for the Company is 10% of taxable income for 15 years from the operations commencement date and the standard CIT rate applies in subsequent years.

The Company is entitled to an exemption from CIT for 4 years commencing from the first year in which a taxable income is earned and a 50% reduction of the applicable CIT tax rate for the following 9 years. The Company's first year of taxable income is 2020, therefore for the financial year ended 31 March 2025 the Company has applied 10% of taxable income from tax for software manufacturing operation.

Regarding taxable income from other activities:

The CIT rate applicable to the Company for income from other activities is 20% of taxable income.

Deferred tax

Deferred corporate income tax is the amount of income tax payable or refunded due to the temporary difference between the carrying amount of assets and liabilities for the purpose of preparing and presenting financial statements and the values used for tax calculation.

Other taxes: Other taxes are applied according to current tax regulations in Vietnam.

Tax reports of the Company will be subject to inspection of tax authorities. Since the application of laws and regulations on taxation for different transactions can be interpreted in many different ways, the amounts presented in the financial statements could be changed according to the final decision of the tax authorities.

17. Related party

Related parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial and operating policy decisions. Parties are also considered related if they are subject to common control or common significant influence. Stakeholders can be companies or individuals, including close family members of individuals who are considered related parties.

In considering the relationship of related parties, the nature of the relationship is more important than the legal form.

Transactions and balances with related parties during the year are presented in Notes VII.1.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2025

V. ADDITIONAL INFORMATION FOR ITEMS ON THE BALANCE SHEET

Following items are presented in Vietnam Dong (VND)

1. Cash and cash equivalent

	Closing Balance	Opening Balance
Cash on hand	-	-
Cash at bank - Citibank, N.A, Hanoi Branch (Citibank)	122,186,047,746	37,277,993,506
Total	**122,186,047,746**	**37,277,993,506**
Cash equivalent	110,000,000,000	**-**
Total cash and cash equivalent	**232,186,047,746**	**37,277,993,506**

2. Held-to-maturity investment

	Closing Balance		Opening Balance	
	Cost	Carrying value	Cost	Carrying value
Term Deposit	-	-	220,000,000,000	220,000,000,000
Cộng	**-**	**-**	**220,000,000,000**	**220,000,000,000**

3.1 Trade receivables

Current trade receivables	Closing balance	Opening balance
Receivables from related parties (Details in Notes VII.1)		
Tech Mahindra Limited	303,310,146,062	420,155,011,004
Receivables from third partíes		
MB Shinsei Finance Limited Liability	625,240,000	582,320,000
Prudential Vietnam Assurance Private Ltd.	43,540,202,252	16,557,548,043
HTC Holdings Viet Nam Company Limited	-	2,327,589,450
IDS Viet Nam Solution Corporation	500,000,000	-
Total	**347,975,588,314**	**439,622,468,497**

3.2 Prepayments to suppliers

Grant Thornton (Vietnam) Co., Ltd.	521,922	521,922
Lam Hai An Investment Consulting Co., Ltd.	126,000,000	-
Viet Net Distribution JSC	611,431,520	-
Phan Khanh Duy	5,100,000,000	-
Total	**5,837,953,442**	**521,922**

3.3 Provision for doubtfult debt

During the year, movement in provision for doubtfult debts were as follows:

Opening Balance	2,533,242,450	-
Additional provision in this year	-	2,533,242,450
Provision reversal in the year	1,993,842,450	-
Closing balance	**539,400,000**	**2,533,242,450**

Overdue loans, receivables, or irrecoverable debt

	Closing Balance		Opening Balance	
	Cost	Provision	Cost	Provision
HTC Holdings Viet Nam Company Limited	-	-	2,327,589,450	1,993,842,450
MB Shinsei Finance Limited Liability	625,240,000	539,400,000	625,240,000	539,400,000
Total	**625,240,000**	**539,400,000**	**2,952,829,450**	**2,533,242,450**

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2025 (Contd.)

V. ADDITIONAL INFORMATION FOR ITEMS ON THE BALANCE SHEET (continued)

4. Inventories

	Closing Balance		Opening Balance	
	Cost	**Provision**	**Cost**	**Provision**
Saigon Hanoi Commerical JSC	-	-	2,702,631,411	-
Prudential Vietnam Assurance Private Ltd.	-	-	17,230,190,999	-
Maritime Saving Bank	-	-	314,019,000	-
Total	**-**	**-**	**20,246,841,410**	**-**

5. Prepaid expenses

5.1 Short-term prepaid expenses	**Closing Balance**	**Opening Balance**
Internet charges, telephone	465,582,759	943,901,430
Software maintenance and support services fee	6,252,376,872	7,212,059,417
Others	23,818,240	23,818,240
Total	**6,741,777,871**	**8,179,779,087**

5.2 Long-term prepaid expenses		
Tools, suppliers	513,235,588	898,777,127
Software maintenance and support services fee	846,658,029	5,067,947,723
Total	**1,359,893,617**	**5,966,724,850**

6. Tangible fixed assets

	Machinery and Equipment	**Office Equipment**	**Total**
HISTORICAL COST			
As at opening balance	88,806,831,300	109,226,378	88,916,057,678
Purchase in the year	-	-	-
As at closing balance	**88,806,831,300**	**109,226,378**	**88,916,057,678**
ACCUMULATED DEPRECIATION			
As at openning balance	52,861,209,104	82,672,072	52,943,881,176
Depreciation in the year	12,686,690,184	16,683,336	12,703,373,520
As at closing balance	**65,547,899,288**	**99,355,409**	**65,647,254,696**
CARRYING AMOUNT			
As at opening balance	35,945,622,196	26,554,306	35,972,176,502
As at closing balance	**23,258,932,012**	**9,870,969**	**23,268,802,982**

In which: Cost of fixed assets fully depreciated but still in use: *59.176.378 VND*

Cost of fixed assets are temporarily not in use: *0 VND*

Carrying value of fixed assets pledged as security of borrowings: *0 VND*

7. Trade payables

	Closing Balance		Opening Balance	
	Original Amount	**Amount can be paid off**	**Original Amount**	**Amount can be paid off**
Trade payables are third parties				
EBIX Technologies Pvt. Ltd.	768,927,340	768,927,340	745,383,870	745,383,870
HPT Vietnam Corporation	-	-	134,022,900	134,022,900
Yatra for Business Private Limited	144,283,737	144,283,737	139,865,972	-
Others	472,170,500	472,170,500	-	-
Trade payables are related parties (Details in Notes VII.1)				
Tech Mahindra Limited	205,610,332,421	205,610,332,421	380,082,770,378	380,082,770,378
Tech Mahindra ICT Services (Malaysia) SDN.BHD	290,938,111,814	290,938,111,814	219,362,166,517	219,362,166,517
Mahindra and Mahindra Limited	-	-	23,570,621	23,570,621
Total	**497,933,825,812**	**497,933,825,812**	**600,487,780,258**	**600,347,914,286**

8. Taxes and obligation to the State

	Opening Balance	Payable in the year	Paid in the year	Closing Balance
Coporate income tax	1,299,419,936	15,289,188,177	16,277,723,236	310,884,877
Personal income tax	79,968,293	2,034,716,940	2,004,085,371	110,599,862
Foreign Contractor tax	13,941,346,443	25,495,128,143	39,354,946,245	81,528,341
License tax	-	3,000,000	3,000,000	-
Total	**15,320,734,672**	**42,819,033,260**	**57,639,754,852**	**503,013,080**

9. Accrued expenses

Current accrued expenses

	Closing Balance	Opening Balance
Professional services	991,608,459	1,249,080,916
Loan interest	-	2,033,969,116
Accrued leave encashment onsite	-	429,975,235
Accrued cost of goods sold	15,731,449,106	380,004,475
Others	6,651,835,255	9,452,888
Total	**23,374,892,820**	**4,102,482,630**

10. Other current payables

Payables to Tech Mahindra Limited	766,578,440	766,578,440
Others	7,823,453	81,931,436
Total	**774,401,893**	**848,509,876**

11. Short-term loans

	Opening Balance	During the year		Closing Balance
	Amount is also repayable amount	Increase	Decrease	Amount is also repayable amount
Short-term loans				
Loan from related party	12,474,000,000	394,000,000	-	12,868,000,000
Total	**12,474,000,000**	**394,000,000**	**-**	**12,868,000,000**

Details of loans and debts are as follows:

	Balance principal debt			
Lender	**USD**	**VND**	**Maturity date**	**Interest (%/year)**
Tech Mahindra ICT Services (Malaysia) SDN.BHD				
Loan contract dated 25/06/2018, Appendix for loan extension dated 25/06/2024	500,000	12,868,000,000	25/06/2025	SOFR + 0,01%/ năm
Total	**500,000**	**12,868,000,000**		

12. Owner's equity

12.1 Changes in owner's equity

Items	Owner's equity	Retained earnings	Total
Opening balance of the previous year	**23,840,000,000**	**78,447,069,030**	**102,287,069,030**
Increase in capital in previous year	-	-	-
Profit in previous year	-	30,238,438,173	30,238,438,173
Other increases	-	191,985,328	191,985,328
Balance at the end of the previous year	**23,840,000,000**	**108,877,492,531**	**132,717,492,531**
Increase in capital in current year		-	-
Profit in the current year	-	(29,843,774,284)	(29,843,774,284)
Other decreases	-	(20,246,841,410)	(20,246,841,410)
Balance at the end of the current year	**23,840,000,000**	**58,786,876,837**	**82,626,876,837**

12.2 Details of owner's equity

	Charter capital		Charter capital paid in actual (USD)
	According to Investment licence (USD)	Ownership ratio	
Tech Mahindra Limited	1,050,000	100%	1,050,000

12.3 Transaction of owner's equity

	Closing Balance	Opening Balance
Opening balance	23,840,000,000	23,840,000,000
Increase in the year	-	-
Decrease in the year	-	-
Closing balance	**23,840,000,000**	**23,840,000,000**

VI. ADDITIONAL INFORMATION FOR ITEMS ON THE INCOME STATEMENT

Following items are presented in Vietnam dong (VND).

1. Revenue from sales of goods and rendering of services

	Current year	Previous year
Revenue from sales of goods	**28,319,764,649**	14,868,946,241
Revenue from rendering of services	**206,822,108,932**	217,577,466,151
Total	**235,141,873,580**	232,446,412,392
In which:		
Revenue from sales to third parties	***97,979,735,615***	*109,054,584,405*
Revenue from sales to related parties (Details in Notes VII.1)	***137,162,137,965***	*123,391,827,987*

2. Cost of goods sold and services rendered

	Current Year	Previous Year
Cost of goods sold	**4,506,682,788**	12,851,532,164
Cost of service rendered	**188,555,117,130**	181,651,623,840
Total	**193,061,799,918**	194,503,156,004

3. Financial income

	Current Year	Previous Year
Bank interest	**966,505,491**	5,429,586,481
Realised gain on exchange rate difference	**-**	162,702,582
Unrealised gain on exchange rate difference	**-**	1,950,680,212
Total	**966,505,491**	7,542,969,275

4. Financial expenses

	Current Year	Previous Year
Loss on exchange rate difference	**25,251,589,474**	769,296,661
Interest expense	**929,875,853**	601,024,436
Total	**26,181,465,327**	1,370,321,097

5. General and administrative expenses

	Current Year	Previous Year
Administrative employee expenses	**2,331,497,763**	5,882,001,571
Depreciation expenses	**16,683,336**	16,683,336
Office supply expenses	**92,347,039**	189,693,493
Taxes, fees, and charges	**3,000,000**	3,000,000
External service expenses	**22,657,186,197**	2,347,064,123
Other monetary expenses	**16,998,821**	713,269,899
Provision for doubtful debt	**(1,993,842,450)**	2,533,242,450
Tổng cộng	**23,123,870,706**	11,684,954,872

6. Selling expense

	Current Year	Previous Year
Selling employee expenses	**455,623,112**	-
External service expenses	**110,353,491**	-
Total	**565,976,603**	**-**

7. Other expense

	Current year	Previous year
Penalties	**7,510,370,312**	-
Others	**503,339,667**	5
Total	**8,013,709,979**	5

8. Production and operating expenses

Labour cost	**22,238,531,389**	25,929,922,078
Depreciation expenses	**12,703,373,520**	12,703,373,520
Tool and instrument cost	**92,347,039**	189,693,493
External services expenses	**181,972,973,392**	161,671,946,252
Other monetary expenses	**1,782,911,716**	3,159,933,083
Provision for doubtful debt	**(1,993,842,450)**	2,533,242,450
Total	**216,796,294,606**	206,188,110,876

9. Corporate Income Tax

Current corporate income tax expense	**1,952,293,115**	2,192,511,811
The adjustment of corporate income tax from the previous year in the current year	**13,336,895,062**	-
Total	**15,289,188,177**	2,192,511,811

The current tax payable is based on taxable profit for the year. The taxable profit of the Company for the year differs from the profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

Corporate Income tax in the year of the Company:

	Sales and other activities	Software production activities	Current Year	Previous Year (adjustment)
Net (loss)/profit before tax	**(30,993,012,936)**	**16,438,426,829**	**(14,554,586,107)**	**32,430,949,984**
Adjustment of (decrease)/ increase in (loss)/profit	36,578,195,332	266,705,894	36,844,901,226	25,688,105,967
Adjustments of increase	36,578,195,332	266,705,894	36,844,901,226	29,075,018,610
Unreasonable and valid expenses	23,655,088,291	66,497,256	23,721,585,548	23,158,139,502
Expenses not related to business activities	7,991,375,215	22,334,764	8,013,709,979	5
Incorrect provision	-	-	-	2,533,242,450
Unrealised acrrued expenses	-	-	-	3,383,636,653
Other adjustment of increase	4,931,731,825	177,873,874	5,109,605,699	-
Adjustments of decrease	-	-	-	(3,386,912,643)
Unrealised from acrrued expenses of prior year realised this year	-	-	-	(3,386,912,643)
Adjusted pre-tax	**5,585,182,396**	**16,705,132,724**	**22,290,315,119**	**58,119,055,951**
Estimated taxable income in current period	5,585,182,396	16,705,132,724	22,290,315,119	58,119,055,951
Assessable income after offset with carried forward loss	5,585,182,396	16,705,132,724	22,290,315,119	102,013,520,927

Corporate Income tax in the year of the Company:

	Sales and other activities	Software production activities	Current Year	Previous Year (adjustment)
Tax rate	20%	5%		
Estimated taxable income in current year	**1,117,036,479**	**835,256,636**	**1,952,293,115**	**2,192,511,811**
Exempted corporate income tax	-	-	-	-
Current CIT expense	**1,117,036,479**	**835,256,636**	**1,952,293,115**	**2,192,511,811**
Adjustment of previous year of CIT	-	-	13,336,895,062	-
Balance at the year opening			1,299,419,936	460,140,405
CIT paid during the year			(16,277,723,236)	(1,353,232,280)
Balance at the year ended			**310,884,877**	1,299,419,936

Tax reports of the Company will be subject to inspection of tax authorities. Since the application of laws and regulations on taxation for different transactions can be interpreted in many different ways, the amounts presented in the financial statements could be changed according to the final decision of the tax authorities.

VII. OTHER INFORMATION

1. Related parties

1.1 Related parties

During the financial year ended 31 March 2025, related parties of the Company are determined as following:

Related parties	Relationship
Mahindra & Mahindra Limited	Ultimate parent company
Tech Mahindra Limited	Parent Company
Tech Mahindra ICT Services (Malaysia) SDN.BHD	Company in group
Tech Mahindra London Limited	Company in group
Mr. Srinivasa Raghavan Venugopal	Director, Chairman of Member's Council
Mr. Manish Goenka	Member of Member's Council
Mr. Gautam Shirali	Member of Member's Council

1.2 Transaction with related parties

a. Income with key management members

		Amount	
Name of related parties	**Income**	**Current Year**	**Previous Year**
Mr. Srinivasa Raghavan Venugopal	Income from salary and bonus	261,024,962	5,131,710,079

b. Transaction with related parties

During the year	Transaction	Current Year	Previous Year
Tech Mahindra Limited	SubconExp-Ring Fencing InterCo	83,584,111,944	96,239,745,832
	Revenue from rendering of services	137,162,137,965	123,391,827,987
Tech Mahindra ICT Services (Malaysia) SDN.BHD	Interest expenses	929,875,853	601,024,436
	Purchase in the year	52,994,346,492	43,008,044,885
Mahindra & Mahindra Limited	Purchase in the year	28,302,833	23,570,621

c. Balances with related parties

As at 31 March 2024, the Company has the following balances with related parties:

Current receivables from customers (Detailed Notes V.2)

Related parties	Closing Balance	Opening Balance
Tech Mahindra Limited	303,310,146,062	420,155,011,004

Short-term payables to sellers (Detailed Notes V.7)

Related parties	Closing Balance	Opening Balance
Tech Mahindra Limited	205,610,332,421	380,082,770,378
Tech Mahindra ICT Services (Malaysia) SDN.BHD	290,938,111,814	219,362,166,517
Mahindra & Mahindra Limited	-	23,570,621

Borrowings (Detailed Notes V.11)

Related parties	Interest Rate	Maturity Time	Closing Balance	Opening Balance
Tech Mahindra ICT Services (Malaysia) SDN.BHD	SOFR + 0,01%/ năm	6/25/2024	12,868,000,000	12,474,000,000

Other payables (Detailed Notes V.10)

Related parties	Content	Closing Balance	Opening Balance
Tech Mahindra Limited	Other payables	766,578,440	766,578,440
Tech Mahindra ICT Services (Malaysia) SDN.BHD	Interest payables	-	2,033,969,116

2. Commitment to lease activities

At the end of the financial year, the Company has commitments under operating leases with the payment schedule as follows:

	Closing Balance	Opening Balance
Within 1 year	277,200,000	285,818,880
From 2 to 5 years	-	23,818,240
Over 5 years	-	-
Total	**277,200,000**	**309,637,120**

3. Subsequent events after balance sheet date

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the financial statements.

4. Comparative figures

Comparative figures are those given in Financial Statements for the fiscal year ended 31 March 2024, audited by BDO Audit Service Company Limited.

5. Going concern

At the date of the Financial Statements, there were no activities or events that have significant impact on going concern of the Company, therefore the Financial Statements were prepared on going concern basis.

Nguyen Hoang Tu	Nguyen Cong Vinh	Srinivasa Raghavan Venugopal
Preparer	Chief Accountant	Director

Hanoi, 17 June 2025

CITISOFT INC.

Board of Directors
Mr. Thomas J. Secaur
Mr. Paul V. Migliore
Mr. Roshan Shetty
Mr. Vineet Vij
Mr. Pankaj Subhash Kulkarni

Registered Office
303 Congress Street,
Suite 500
Boston, MA 02210 USA

Bankers
Bank of America

Auditors
CBIZ CPAs P.C.

DIRECTORS' REPORT

TO THE SHAREHOLDERS

This report together with the audited accounts of Citisoft, Inc. for the year ended March 31, 2025 is given below.

Review of Operations:

During the year under review, Citisoft, Inc. has recorded an income of US$ 40,025,716 and Profit/(loss) after tax was US$ 722,584 excluding affiliates revenue and cost of revenue. The Company continues to invest in strengthening its operations and administrative infrastructure to support anticipated growth in the coming years.

Dividends:

During the year under review, no dividend is recommended for the year ended 31st March, 2025.

Changes in Director:

During the year under review, Mr. Lakshmanan Chidambaram resigned as Director of the Corporation. The Board placed on record its appreciation for the assistance and guidance provided by Mr. Lakshmanan Chidambaram during his tenure as Directors of the Corporation.

Mr. Roshan Shetty was appointed as Director effective June 28, 2024, Mr. Vineet Vij was appointed as Director effective July 17, 2024 and Mr. Pankaj Subhash Kulkarni was appointed as Director effective November 15, 2024.

Mr. Thomas J. Secaur, Mr. Paul V. Migliore, Mr. Roshan Shetty, Mr. Vineet Vij and Mr. Pankaj Subhash Kulkarni are the current Board of Directors.

Outlook for the current year:

Business has been encouraging in US and the Company is cautiously optimistic of the future.

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.

Mr. Thomas J. Secaur
Director

Place: Boston, MA
Date: June 16, 2025

INDEPENDENT AUDITORS' REPORT

Board of Directors and Stockholders
Citisoft, Inc.,
Boston, Massachusetts

Opinion

We have audited the accompanying financial statements of Citisoft, Inc. (the "Company"), which comprise the balance sheets as of March 31, 2025 and 2024, and the related statements of income and comprehensive income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Citisoft, 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 Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 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 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 for one year after the date that the financial statements are available to be issued.

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 financial statements.

In performing an audit in accordance with GAAS, 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.

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.

CBIZ CPAs P.C.

Boston, Massachusetts
June 11, 2025

BALANCE SHEETS

	March 31, 2025	March 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	**$ 4,635,721**	$ 4,901,527
Accounts receivable, trade, net of allowance for credit losses of $100,000 in 2025 and 2024	**6,533,494**	6,975,592
Accounts receivable, affiliate	**46,476**	-
Cash deposit with Parent	**2,010,761**	-
Other receivables	**12,828**	226,993
Investments	**1,767,092**	1,651,137
Income taxes receivable	**369,779**	86,264
Prepaid expenses and other current assets	**635,151**	218,629
Total current assets	**16,011,302**	14,060,142
Deferred income taxes, net	**206,702**	215,460
Goodwill, net of accumulated amortization of $327,983 in 2025 and $273,319 in 2024	**218,650**	273,314
Right-of-use asset - operating lease	**338,525**	589,643
Property and equipment, net	**220,160**	253,426
Total assets	**$ 16,995,339**	$ 15,391,985
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	**$ 260,475**	$ 228,613
Accounts payable, affiliate	**1,157,877**	656,431
Current portion of operating lease obligations	**150,210**	236,638
Accrued expenses	**5,337,332**	4,691,712
Total current liabilities	**6,905,894**	5,813,394
Long-term liabilities:		
Operating lease obligations	**166,423**	311,315
Total long-term liabilities	**166,423**	311,315
Total liabilities	**7,072,317**	6,124,709
Stockholders' equity:		
Common stock, $0.01 par value; 1,000 shares authorized, issued and outstanding	**10**	10
Additional paid-in capital	**683,895**	683,895
Accumulated other comprehensive income	**222,496**	289,334
Retained earnings	**9,016,621**	8,294,037
Total stockholders' equity	**9,923,022**	9,267,276
Total liabilities and stockholders' equity	**$ 16,995,339**	$ 15,391,985

STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

	Years Ended March 31,	
	2025	**2024**
Consulting revenue	**$ 40,530,857**	$ 36,531,736
Cost of revenue	**30,709,764**	26,633,227
Gross profit	**9,821,093**	9,898,509
Selling, general and administrative expenses	**8,707,286**	7,648,663
Income from operations	**1,113,807**	2,249,846
Other income (expense):		
Interest and dividend income, net	**132,183**	49,346
Other income (expense)	**11,527**	(398)
Realized loss on foreign currency exchange	**(143,423)**	(75,001)
Total other income (expense)	**287**	(26,053)
Income before provision for income taxes	**1,114,094**	2,223,793
Provision for income taxes, net of tax benefit in 2025 and 2024 on other comprehensive income	**391,510**	915,750
Net income	**722,584**	1,308,043
Other comprehensive income (loss):		
Unrealized gain (loss) on investments	**(16,228)**	348,594
Foreign currency translation adjustment	**(50,610)**	26,918
Benefit from income tax on items related to other comprehensive income (loss)	**-**	1,184
Other comprehensive income (loss), net of tax	**(66,838)**	376,696
Net comprehensive income	**$ 655,746**	$ 1,684,739

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

Years Ended March 31, 2025 and 2024

	Shares	Amount	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Stockholders' Equity
Stockholders' equity, April 1, 2023	1,000	$ 10	$ 683,895	$ (87,362)	$ 6,985,994	$ 7,582,537
Net income	-	-	-	-	1,308,043	1,308,043
Other comprehensive income, net of tax	-	-	-	376,696	-	376,696
Stockholders' equity, March 31, 2024	1,000	10	683,895	289,334	8,294,037	9,267,276
Net income	-	-	-	-	722,584	722,584
Other comprehensive loss, net of tax	-	-	-	(66,838)	-	(66,838)
Stockholders' equity, March 31, 2025	**1,000**	**$ 10**	**$ 683,895**	**$ 222,496**	**$ 9,016,621**	**$ 9,923,022**

CITISOFT INC.

STATEMENTS OF CASH FLOWS

	Years Ended March 31,	
	2025	**2024**
Cash flows from operating activities:		
Net income	**$ 722,584**	$ 1,308,043
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**134,871**	143,497
Non-cash lease expense	**251,119**	245,204
Deferred income taxes Change in:	**8,758**	(13,192)
Accounts receivable, trade	**442,098**	(1,164,047)
Accounts receivable, affiliate	**(46,476)**	-
Other receivables	**214,165**	(223,543)
Prepaid expenses and other current assets	**(416,522)**	371,047
Accounts payable	**31,862**	(170,126)
Accounts payable, affiliate	**501,446**	21,217
Income taxes receivable and payable	**(283,515)**	(329,660)
Operating lease obligations	**(231,321)**	(207,963)
Accrued expenses	**645,620**	969,367
Total adjustments	**1,252,105**	(358,199)
Net cash provided by operating activities	**1,974,689**	949,844
Cash flows from investing activities:		
Purchase of investments	**(132,183)**	(49,346)
Purchase of property and equipment	**(46,941)**	(61,375)
Net cash used in investing activities	**(179,124)**	(110,721)
Cash flows from financing activities:		
Change in cash deposit with Parent	**(2,010,761)**	-
Net cash used in financing activities	**(2,010,761)**	-
Net increase (decrease) in cash and cash equivalents	**(215,196)**	839,123
Cash and cash equivalents, beginning	**4,901,527**	4,035,486
Effect of currency translation on cash and cash equivalents	**(50,610)**	26,918
Cash and cash equivalents, ending	**$ 4,635,721**	$ 4,901,527

NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of Business and Summary of Significant Accounting Policies

Nature of Activities

Citisoft, Inc. (the "Company") was incorporated in Delaware on September 16, 2002 and provides consulting and information technology services to the investment and financial services industry. Prior to March 1, 2022, the Company was a wholly-owned subsidiary of Citisoft Limited (formerly Citisoft Plc), located in the United Kingdom, which was a wholly-owned subsidiary of Tech Mahindra Limited, a provider of information technology services, internet services, business process outsourcing and software development. Tech Mahindra's head office is located in Pune, Maharashtra, India. As of February 28, 2022, the Company underwent a restructuring through a Share Purchase Agreement whereby ownership of the Company was transferred from Citisoft Limited to Tech Mahindra (Americas), Inc. thereby becoming a wholly-owned subsidiary of the latter. On October 1, 2021, the Company set up a UK branch operation. On March 1, 2022, the business and assets of Citisoft Limited were transferred to the Company via an Asset Purchase and Business Transfer Agreement. The Company now provides services to customers throughout the United States, Canada and United Kingdom. The breakdown of sales is as follows for the years ended March 31:

	2025		2024	
United States	**$ 28,451,267**	**70%**	$ 27,148,466	74%
Canada	**2,886,715**	**7%**	3,446,439	10%
United Kingdom	**9,192,875**	**23%**	5,936,831	16%

Basis of Presentation

The financial statements have been prepared by the Company to reflect the results of operations and financial position of Citisoft, Inc. and United Kingdom branch as of and for the years ended March 31, 2025 and 2024, in which all significant inter-company balances and transactions have been eliminated.

Fair Value Measurements

The Company follows the fair value standard which 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. These standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or valuation techniques) to determine fair value.

The fair value standards require that for each item carried at fair value that such be disclosed in accordance with the valuation methods used which fall into three categories as follows:

Level 1 – inputs are quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at measurement date.

Level 2 – inputs are other than quoted prices included in Level 1 that are either directly or indirectly observable.

Level 3 – inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgment or estimation.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level of input that is significant to the fair value measurement in its entirety.

It is possible that redemption rights may be restricted or eliminated by investment managers in the future in accordance with the underlying fund agreements. Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. Instruments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observable inputs and a lesser degree of judgment used in measuring fair value. It is reasonably possible that change in values of these instruments will occur in the near term and that such changes could materially affect amounts reported in these financial statements.

Use of Estimates

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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company defines cash equivalents as short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are reported at cost plus earned interest. Cash and claims to cash that are restricted as to withdrawal or uses in the ordinary course of business are classified as deposits and included in prepaid expenses and other current assets in the balance sheets at March 31, 2025 and 2024.

The Company places its temporary cash investments in high credit financial institutions. However, portions of temporary cash investments may exceed FDIC insured levels. Management monitors, on a regular basis, the financial condition of the financial institutions, along with their balances, to reduce the risk of balances exceeding FDIC insured limits.

Accounts Receivable and Current Expected Credit Losses

The Company grants credit to its customers during the normal course of business. The Company performs ongoing credit evaluations of its customers' financial condition and generally requires no collateral from its customers. Accounts receivable balances are typically unsecured and are derived from revenues earned from customers primarily located in the United States of America. The Company monitors the creditworthiness of its customers to which it grants credit limits in the normal course of business, and its historical experience of potential credit losses which, when realized, have been within the range of management's expectations.

Investments

The Company's investments in marketable securities are reported in accordance with Accounting Standards Codification ("ASC") Topic 320, *Investments - Debt and Equity Securities* (ASC 320). Under this standard, debt and equity securities are classified into one of the following three reporting categories: held to maturity securities, trading securities or available-for-sale securities. The Company has classified marketable securities as available-for-sale securities which are recorded at fair market value at year end, with unrealized gains and losses being excluded from earnings and reflected as a component of other comprehensive income. The basis on which cost is determined in computing realized gain or loss is specific identification of the securities sold.

Below is a summary of the relationship between the cost and fair values of marketable securities held by the Company at March 31:

2025 Level 1		
Aggregate Fair Value	**Cost**	**Accumulated Holding Gain**
$ 1,767,092	**$ 1,282,588**	**$ 484,504**

2024 Level 1		
Aggregate Fair Value	**Cost**	**Accumulated Holding Gain**
$ 1,651,137	$ 1,150,405	$ 500,732

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives which are three to five years for computer equipment, five years for furniture and fixtures and fifteen years for leasehold improvements (or the lesser of the life of the lease). When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in income for the period. The cost of maintenance and repairs is charged to income as incurred; significant renewals and betterments are capitalized.

Property and equipment consisted of the following as of March 31:

	2025	**2024**
Computer equipment	**$ 485,695**	$ 468,470
Leasehold improvements	**205,310**	197,052
Furniture and fixtures	**38,817**	36,427
Office equipment	**210,463**	192,936
	940,285	894,885
Less: accumulated depreciation	**720,125**	641,459
Property and equipment, net	**$ 220,160**	$ 253,426

Depreciation expense amounted to $80,207 and $87,649 for the years ended March 31, 2025 and 2024, respectively.

Capitalized Software

Implementation costs for cloud computing arrangements are capitalized and amortized over the expected term of the cloud computing arrangement. The capitalized costs are included in prepaid expenses, net of amortization, and amortization expense is classified as a service contract expense in selling, general and administrative expenses. As of March 31, 2025, the Company capitalized approximately $307,000, in implementation costs. There was no amortization expense in 2025 as the system was not yet put into service.

Goodwill

Goodwill represents the difference between the purchase price and the fair value of assets and liabilities acquired in a business combination. The Company accounts for goodwill in accordance with ASC Topic 350, *Intangible-Goodwill and Other* (ASC 350). ASC 350 states certain intangible assets are not subject to amortization but are tested for impairment annually.

The entire balance of goodwill at March 31, 2025 and 2024 is attributable to the 2002 acquisition of The Rowan Group, a company organized by one senior executive who continues to manage the marketing and management activities of the Company.

The Company amortizes goodwill on a straight-line basis over a period of ten (10) years in accordance with ASC 350. Amortization expense amounted to $54,664 for the years ended March 31, 2025 and 2024.

Accounting for the Impairment of Long-Lived Assets

The Company accounts for impairment or disposal of long-lived assets in accordance with ASC Topic 360, *Property, Plant, and Equipment* (ASC 360). ASC 360 requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the book value of the asset may not be recoverable. The Company evaluates at each balance sheet date whether events and circumstances have occurred that indicate possible impairment. Impairment is measured by comparing the undiscounted future cash flows for the carrying value of the assets held at the Company's location. If the total expected undiscounted future cash flows are less than the carrying amount of the asset, the Company records an impairment charge. Management believes no event has occurred that would impair the value of long-lived assets recorded in the accompanying financial statements.

Revenue Recognition

The Company follows ASC Topic 606, *Revenue from Contracts with Customers* (ASC 606). ASC 606 provides comprehensive guidance for recognizing revenue from contracts with customers. Revenue is recognized when the entity transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services. The guidance includes a five-step framework that requires an entity to: (i) identify the contract(s) with a customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract, and (v) recognize revenue when the entity satisfies a performance obligation.

Revenues from the performance of time-and-material consulting projects are recognized as the services are performed. Revenues from fixed price engagements are recognized on the percentage of completion basis with revisions to estimates reflected in the period in which changes become known. Provision for losses on such engagements is made during the period in which a loss becomes probable and can be reasonably estimated.

In accordance with ASC Topic 606, *Revenue Recognition* (ASC 606), the Company has accounted for reimbursements received for out-of-pocket expenses incurred as revenues in the statements of income and comprehensive income.

All contracts require the Company's clients to pay for out-of-pocket expenses, principally travel related expenses. Accordingly, revenue includes amounts billed for these costs and cost of revenue includes the related actual costs incurred. The timing of revenue recognition is entirely over time as services are provided. Generally, billing occurs subsequent to revenue recognition, resulting in billed receivables, which have been recorded under accounts receivable, trade on the accompanying balance sheets.

Revenue by performance obligation is as follows for the year ended March 31, 2025:

Services Transferred over Time		Consulting Revenue
Strategic assessment	$	1,152,594
Systems strategy and selection		373,746
Systems implementation		10,430,872
Program and project management		9,494,906
Outsourcing evaluation		154,695
Outsourcing transition		18,418,903
	$	**40,025,716**

Revenue by performance obligation is as follows for the year ended March 31, 2024:

Services Transferred over Time		Consulting Revenue
Strategic assessment	$	1,579,789
Systems strategy and selection		629,995
Systems implementation		8,236,710
Program and project management		10,836,476
Outsourcing evaluation		725,093
Outsourcing transition		13,981,241
	$	**35,989,304**

Included within consulting revenue on the statements of income and comprehensive income is reimbursable expenses billed to clients of approximately $505,000 and $540,000 for the years ended March 31, 2025, and 2024, respectively.

Advertising Costs

The Company expenses the costs of advertising as incurred. Advertising costs amounted to approximately $146,600 and $151,500 for the years ended March 31, 2025 and 2024, respectively, and are included in selling, general and administrative expenses in the accompanying statements of income and comprehensive income.

Income Taxes

Income taxes are accounted for in accordance with the provisions of ASC Topic 740, *Income Taxes* (ASC 740). The provisions for deferred income tax expense or benefit represent the net change during the year in the Company's deferred income tax assets or liabilities.

Deferred income tax assets represent the amount of taxes recoverable in future years (based on current tax laws) resulting from future net tax deductions arising from the temporary differences in the reporting of certain types of income and expense items for financial statement and income tax reporting purposes.

Deferred income tax liabilities represent the amount of taxes payable in future years (based on current tax laws) resulting from the future net taxable amounts arising from temporary differences in the reporting of certain types of income and expense items for financial statements and for income tax reporting purposes.

In accordance with ASU 2015-17, *Income Taxes: Balance Sheet Classification of Deferred Taxes*, the presentation of deferred income taxes is required to be presented as noncurrent in a classified balance sheet. Accordingly, the Company has classified the deferred tax assets and liabilities as noncurrent in the accompanying balance sheets.

The Company accounts for uncertain income tax positions under ASC 740. ASC 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return and also provides guidance on classification, interest and penalties, disclosure and transition.

As of March 31, 2025 and 2024, the Company had no material unrecognized tax benefits and no adjustments to liabilities or operations required under ASC 740. The Company's practice was and continues to be to recognize interest and penalty expenses related to uncertain tax positions in income tax expense, which were zero for the years ended March 31, 2025 and 2024. Generally, the three preceding tax years are subject to examination by federal and state taxing authorities. There are no income tax examinations currently in process.

Reclassifications

Certain amounts reported in the 2024 financial statements have been reclassified to conform to the 2025 presentation. The Company reclassified approximately $540,000 of reimbursable expenses billed to customers for the year ended March 31, 2024 to consulting revenue to conform to the 2025 presentation.

Subsequent Events

The Company has evaluated subsequent events through June 11, 2025, the date the financial statements were approved to be issued.

Note 2 - Accrued Expenses

Accrued expenses consist of the following as of March 31:

		2025		2024
Employee bonus and vacation	**$**	**1,946,801**	$	2,080,875
Executive benefit plan		**1,655,059**		1,426,137
Payroll taxes		**650,800**		545,970
Professional fees and other		**1,084,672**		639,530
	$	**5,337,332**	$	4,691,712

Note 3 - Income Taxes

The provision for income taxes is comprised of the following for the years ended March 31:

		2025		2024
Current provision:				
Federal	**$**	**242,380**	$	418,313
State		**87,723**		226,114
Foreign		**88,634**		284,574
		418,737		929,001
Deferred benefit:				
Federal		**(18,086)**		(4,910)
State		**(9,141)**		(8,341)
		(27,227)		(13,251)
Total	**$**	**391,510**	$	915,750

As of March 31, 2025 and 2024, net operating loss carryforwards for federal and state income tax purposes were either utilized in full or became available for carry-back to prior years with taxable income with a change in tax law.

Significant components of activities that gave rise to the deferred tax assets and liabilities included in the financial statements are as follows as of March 31:

		2025		2024
Deferred tax assets (liabilities):				
Accrued expenses and allowance for doubtful accounts	**$**	**224,641**	$	239,012
Net operating loss, other losses and charitable contribution carryforward		**45,787**		76,196
		270,428		315,208
Depreciation and amortization		**63,726)**		(99,748)
Net deferred tax assets	**$**	**206,702 $**	$	215,460

In assessing the reliability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon generating future taxable income during the periods in which temporary differences representing net future deductible amounts become deductible.

As of March 31, 2025 and 2024, management believes a valuation allowance for any deferred tax assets is not necessary as the value of deferred tax assets is expected to be realized through profitability in subsequent years.

Note 4 - Related Party Transactions

During the years ended March 31, 2025 and 2024, Tech Mahindra (Americas), Inc. made tax payments on behalf of the Company. At March 31, 2025 and 2024, the Company was indebted to Tech Mahindra (Americas), Inc. in the amount of $1,157,877 and $656,431, respectively.

During the year ended March 31, 2025, the Company entered into a cash deposit agreement with Tech Mahindra (Americas), Inc. through a pooled concentration account with JP Morgan where the Company advanced Tech Mahindra (Americas), Inc. $2,000,000. The cash deposit earns interest at Secured Overnight Financing Rate (“SOFR”) plus 1%. The cash deposit with Parent balance, including accrued interest, was $2,010,761 as of March 31, 2025.

During the year ended March 31, 2025, the Company performed consulting services on behalf of Tech Mahindra (Americas), Inc., resulting in approximately $700,000 of consulting revenue reported within the statements of income and comprehensive income. At March 31, 2025, the Company had accounts receivable from Tech Mahindra (America), Inc. of $46,476 related to consulting services performed.

Note 5 - Leases

The Company leases office equipment and office space under various operating lease agreements with terms ranging up to 3 years. Generally, the leases carry renewal options and require the Company to pay maintenance costs.

Right-of-use (“ROU”) assets represent the Company’s right to use underlying assets for the lease term and lease liabilities represent an obligation to make lease payments arising from the leases. Since the leases do not provide an implicit rate, a risk-free borrowing rate based on the information available at commencement date was used in determining the present value of lease payments. Lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Rent expense under these leases totaled approximately $290,000 in 2025 and 2024.

Annual minimum non-cancelable rental payments under these leases for the years ending March 31 are as follows:

		Operating Leases
2026	$	158,350
2027		122,441
2028		48,725
Total future minimum lease payments		**329,516**
Less imputed interest		(12,883)
Total	**$**	**316,633**

Other information related to leases was as follows for the years ended March 31:

		2025		**2024**
Cash paid for amounts included in the measurement of lease liabilities:				
Operating cash flows from operating leases	**$**	**248,738**	$	229,653
Weighted average remaining lease term:				
Operating leases		**2.17 years**		2.71 years
Weighted average discount rate:				
Operating leases		**3.64%**		3.34%

Note 6 - Common Stock

As of March 31, 2025 and 2024, the Company has authorized 1,000 shares of common stock with a $0.01 par value, of which 1,000 shares were issued and outstanding. All of the outstanding shares are held by the parent company, Tech Mahindra (Americas), Inc.

Note 7 - Significant Customers

During the years ended March 31, 2025 and 2024, approximately $25,100,000 and $17,700,000, respectively, of the Company's sales were to five customers for 2025 and four customers for 2024. Amounts due from these customers and included in accounts receivable, trade at March 31, 2025 and 2024, amounted to approximately $3,900,000.

Note 8 - Retirement Plan

Supplemental Executive Retirement Plan

The Company has in effect a non-qualified deferred compensation arrangement for certain select employees. All contributions made by the Company are subject to a four year vesting period starting on the date the contribution was made and will be allocated to each participant's individual account within the Plan's investment account. For the years ended March 31, 2025 and 2024, the Company did not make any contributions to the Plan. Contributions accumulated under the Plan are invested in marketable securities and are carried at fair market value, which, as of March 31, 2025 and 2024, amounted to $1,767,092 and $1,651,137, respectively, and are included in investments on the accompanying balance sheets. (See Note 1)

Corporate Owned Incentive Life Insurance Plan

The Company has in effect a Nonqualified Deferred Pension Life Insurance Plan (the "Plan") for all eligible employees. Each employee participant may elect to defer compensation to the Plan pre-tax, subject to Internal Revenue Service limitations.

While the Company expects to continue the Plan indefinitely, it has reserved the right to modify, amend or terminate the Plan. In the event of termination, the entire amount contributed under the Plan must be applied to the payment of benefits to the participants or to their beneficiaries, as defined in the Plan, of each participant.

PARENT'S CORPORATE BODIES

At the Annual General Meeting held on 1 August 2024 the company adopted the one-tier governance system.

Board of Directors

Chair *	Lucia	Morselli (2) (4)
Chief Executive Officer Deputy Chair	Silvio Pietro	Angori (6)
Directors	Amarjyoti	Barua
	Sara	Dethridge (5)
	Peeyush	Dubey
	Jay	Itzkowitz (5)
	Manuela Monica Danila	Massari (1) (3) (4)
	Massimo	Miani (1) (2) (3) (4)
	Pamela	Morassi (2) (5)
	Salvatore	Providenti (1) (3)

(1) Member of the Governance Committee

(2) Member of the Nomination and Remuneration Committee

(3) Member of the Audit and Risk Committee

(4) Member of the Related Party Transactions Committee

(5) Member of the ESG Committee

(6) Responsible for the Internal Audit and Risk Management System

Secretary to the Board of Directors	Corrado	Druetta
***Officer* in charge of financial reporting**	Roberta	Miniotti
Independent Auditors	Deloitte & Touche S.p.A.	

***P**owers*

Pursuant to article 23 of *the* bylaws*, the Chair is the company's* legal *representative* vis-à-vis third parties and in court proceedings.

PININFARINA GROUP

MISSION

Pininfarina is a design house of international repute, a symbol of Italian style in the world, whose purpose is to create design objects that improve people's quality of life. With almost 95 years of experience, it is a partner capable of offering design services and distinctive products based on the values that that constitute the essence of the brand: purity, elegance, innovation. Its activities focus on design, engineering services, the conception and production of one-off or very small series cars and the licensing of the Pininfarina brand.

VALUES

Purity, elegance and innovation underpin our product offering. They are joined by the ethical and sustainability principles and values by which the Group is inspired: legality, integrity, respect for the environment, transparency, social equity and respect for the individual. Also thanks to those values, over the years Pininfarina has gained a solid reputation that it continues to protect and promote in line with the projects that have been in place for years, for instance the adoption of a Code of Ethics back in 1993.

PININFARINA ECOSYSTEM

A leader in design services, the Pininfarina Group was established in 1930 and has since contributed to writing the history of the global automotive industry, becoming the icon if Italian design worldwide.

Through a long process of growth and transformation based on innovation and creativity, Pininfarina has evolved from a craft company to an international service group. Listed on the Italian stock exchange since 1987 and part of the Mahindra Group since 2016, Pininfarina continues to be the benchmark for automotive and industrial design, deeply involved in creating unique objects and experiences that merge the physical and digital worlds through aesthetics and technology.

The core business is design and engineering services, the production of design models, prototypes, one-off and limited series vehicles. In these areas Pininfarina leverages the strength of its brand, its undisputed reputation as a car designer together with excellent technical know-how in specific segments of the industrial engineering services value chain, such as the production of bespoke cars and aerodynamic development. By virtue of its recognised expertise in the automotive and mobility industries, over the years the Pininfarina Group has extended its services to other design segments, becoming one of the most prestigious brands in Architecture, Interior Design and Product Design, with hundreds of projects that every year earn dozens of the most prestigious awards worldwide.

MACROECONOMIC ENVIRONMENT

The expansion of global economic activity continued in 2024, albeit with different trends between areas. Consumption continued to support growth in the US; in the other advanced countries, persistent weakness in manufacturing was accompanied by signs of a slowdown in services. In China, domestic demand is still affected by the crisis in the real estate market. The outlook for the global economy is weighed down by international tensions and uncertainty over the economic policies that will be undertaken by the new US administration. According to projections published by the OECD in December, global GDP will grow by 3.3% in 2025, in line with 2024. However, these forecasts are weighed down by the risks arising from heightened international tensions.

According to Banca d'Italia's estimates, economic activity in Italy has remained weak, being affected as in the rest of the euro area by the persistent sluggishness of manufacturing and the slowdown in services, and growth is expected to average 1% over the three-year period 2025-2027.

In 2024, the macroeconomic environment in the sectors in which the Pininfarina Group operates, with a strategic focus on the automotive industry, proved to be rather complex and conditioned by a series of structural and economic factors. The global economic dynamic was affected by geopolitical tensions, persistent inflation, and difficulties in international trade, elements that directly and indirectly influenced the automotive market, a fundamental pillar of Pininfarina's activity.

In 2024, the global automotive market continued to evolve rapidly, driven by technological, environmental and geopolitical factors. One of the most notable elements was the steady growth of the electric car (EV) sector, which exceeded 20 per cent of global new car sales for the first time. China confirmed its position as the undisputed leader in this field, in terms of both sales volumes and production capacity. In this context, the European electric car market, on the other hand, showed signs of slowing down, also as a result of less consumer-friendly incentive policies, with very low penetration figures in the Mediterranean countries (Spain, Italy and Greece).

The European automotive industry continued to face great uncertainty caused by the lack of customer interest in electric cars, which led to a significant drop in sales also of cars with conventional engines. It is no coincidence that in the course of 2024, numerous industry players expressed concern about a possible weakening of the entire European industrial system. Combined with geopolitical and trade tensions, this led to the slowing down and in some cases, the suspension of development programmes for new cars and thus, to manufacturers' lower use of third-party services, negatively affecting all companies related to design, prototyping and applied engineering, such as the Pininfarina Group.

Many traditional car manufacturers accelerated the transition to hybrid or fully electric models, investing in research and development and forming strategic alliances to secure supplies of critical raw materials, such as lithium and cobalt. However, geopolitical tensions and unstable supply chains continued to pose a challenge, affecting delivery times and final prices.

The year 2024 also saw a growing interest in autonomous driving technologies and shared mobility services, although large-scale adoption still remains limited by regulations, safety concerns and public acceptance.

In summary, 2024 was a year of transformation and adaptation for the global automotive market. The main challenge for the future remains to combine sustainability, innovation and accessibility in a constantly changing environment.

With respect to the sectors in which the Pininfarina Group operates, the environment is not devoid of resilience. Certain segments, such as design applied to luxury and sustainable mobility, continued to grow. Companies with strong know-how in innovative design, such as Pininfarina Group, partly succeeded in intercepting these trends, expanding collaborations both in the traditional automotive business (development and production of cars in ultra-limited series) and outside of this (architecture, interior design, furniture).

In summary, for the industry in which Pininfarina Group operates 2024 was a year of transition, characterised by widespread difficulties but also by areas of opportunity.

Looking ahead to 2025, the scenario is likely to be influenced by external factors such as the evolution of global trade policies, stabilisation of energy prices and strengthening demand, thus remaining uncertain compared to the past year.

DIRECTORS' REPORT

FINANCIAL HIGHLIGHTS

Pininfarina Group

(EUR'm)	2024	2023	Change
TOTAL REVENUE	**91.9**	90.4	1.4
GROSS OPERATING PROFIT1	**5.5**	5.1	0.4
OPERATING LOSS	**(3.6)**	(0.3)	(3.3)
Net financial expense	**(1.0)**	(1.4)	0.4
LOSS FOR THE YEAR	**(4.1)**	(1.6)	(2.5)
NET FINANCIAL POSITION	**8.2**	8.5	(0.3)
EQUITY	**35.6**	36.1	(0.5)

Parent company, Pininfarina S.p.A..

(EUR'm)	2024	2023	Change
TOTAL REVENUE	**63.9**	66.7	(2.8)
GROSS OPERATING PROFIT 1	**3.6**	5.0	(1.4)
OPERATING PROFIT (LOSS)	**(4.3)**	0.9	(5.2)
Net financial expense	**(0.6)**	(1.1)	0.5
LOSS FOR THE YEAR	**(4.8)**	(2.8)	(2.0)
NET FINANCIAL POSITION	**7.9**	9.2	(1.3)
EQUITY	**43.7**	45.1	(1.4)

OVERVIEW

Pininfarina Group closed the year 2024 with total revenue equal to EUR 91.9 million (EUR 90.4 million in 2023), a slightly improved gross operating profit compared with the previous year and an operating loss that was strongly affected by provisions posted by the Parent company.

Pininfarina S.p.A. had total revenue of EUR 3.9 million, vs. EUR 66.7 million in the previous year, reflecting the impact of the slow-down in the automotive market. The Parent reports an operating loss of EUR 4.3 million (vs an operating profit of EUR 0.9 million in 2023) mainly due to a provision posted for a legal dispute (EUR 3.4 million) and bad debts (EUR 0.9 million).

Pininfarina of America's total revenue rose by approximately 11.1% with an operating profit in line with the previous year (1.7 million).

Pininfarina Shanghai had total revenue of EUR 6.6 million, vs. EUR 3.1 million in the previous year, an increase of 113%, and an operating profit of EUR 0.4 million (vs. an operating loss of EUR 1.3 million in 2023), proving the effectiveness of the turnaround measures implemented from the start of the year.

Pininfarina Deutschland had total revenue of EUR 15.1 million, substantially in line with the previous year and again reports an operating loss, of EUR 1.3 million, albeit an improvement on the EUR 1.6 million operating loss of 2023.

Pininfarina Engineering S.r.l. in liquidation, an entity that has been idle since the fourth quarter of 2020 and without personnel, recognised an impairment loss on its equity interest in Pininfarina Deutschland GmbH as a result of the impairment test carried out on the engineering segment. It is awaiting completion of the winding up procedure.

With regard to the geopolitical environment, characterised by the Russia-Ukraine conflict and by tension in the Middle East, we note an addition to the loss allowance of EUR 0.9 million in connection with the revised assessment by the Parent of the recoverability of a receivable from an Iranian customer.

[1]The gross operating profit or loss is the operating profit or loss before amortisation, depreciation, provisions, impairment losses, reversals of impairment losses and utilisation of provisions.

Cash and cash equivalents at 31 December 2024, equal to EUR 24.9 million, decreased by EUR 2.1 million compared with 31 December 2023 mainly as a result of changes in working capital.

Non-current bank loans and borrowings, which decreased by EUR 2.7 million as the balance of the annual repayment of EUR 3.6 million and the Parent's imputed interest expense of EUR 0.9 million arising from amortised-cost accounting, was reclassified in short-term debts in line with the debt rescheduling agreement. Current financial liabilities include EUR 1.5 million in advances from banks related to the German subsidiary's factoring agreements.

Pininfarina S.p.A. has continued to meet its obligations, without undue distress, including those under the debt rescheduling agreement in place (2016-2025) with certain banks. The agreement, which came into force on 30 May 2016, provides for just one financial covenant, i.e. minimum consolidated equity equal to EUR 30 million, compliance with which is assessed at 31 March each year up until repayment of the loan. At 31 March 2024, and based on the pre-actual figures at 31 March 2025, the covenant was complied with. Should the minimum equity threshold not be complied with, the agreement would not be automatically terminated, as it provides for specific remedies that could be activated in the six months following the date when the covenant is not complied with, and the lending banks can also waive their right to take action. Moreover, the Parent's financial obligations under the debt rescheduling agreement are fully secured by Mahindra Group. Also, in March 2025 the controlling shareholder made a commitment to support the Parent Pininfarina S.p.A. financially for the 12 months following the date of approval of the consolidated financial statements, should financing requirements emerge that are not met by operating cash flows. Reference should be made to the financial risk management section of the notes for more information on the Parent's financial debt and debt rescheduling agreement.

Support and relief measures accessed by the Group

In accordance with ESMA recommendations (Public Statement ESMA 32-63-972 of 20 May 2020, *reiterated in* Public Statement 32-63-1186 of 29 October 2021, we state that *in 202*4 the Parent Pininfarina S.p.A. used the ordinary temporary redundancy benefit scheme "Cassa Integrazione Guadagni Ordinaria", which involved 37 employees for a total of 5,811 hours.

No additional support measures were accessed by the other group entities.

KEY EVENTS IN 2024

The year opened with the Good Design Awards bestowed by The Chicago Athenaeum to four Pininfarina projects: the Holon people mover, the Icona photo booth, the Bosch GSR-90C Professional drill/driver and the Kronotech KP-10 access control device, winners in the Transportation, Safety and Security, and Tools categories.

In January at CES in Las Vegas Pininfarina joined forces with AC Future, a leader in r in developing futuristic living solutions, to present a new mobile living space, eTH – Electric Transformer House.

BOVET and Pininfarina unveiled their new jewel, APERTO 1, the perfect combination refined finishes, innovative materials and futuristic design.

Pininfarina presented the design of "Dieci", its latest branded residence and first design project in Panama's booming real estate market.

Two prestigious awards underline Pininfarina's value in yacht design. At the Robb Report Thailand Best of the Best Yachting Awards 2024, the Princess Y95 won the "Best Yacht Layout by Brand" award. Princess X80, meanwhile, triumphed in the Custom Yachts category at the Motor Boat Awards 2024.

Sweden's Vidde announced its Alfa electrical snowmobile designed by Pininfarina.

In late February Pininfarina was the protagonist at the Geneva International Motor Show where, as part of the Design District, it presented the Foxtron Model B electric crossover designed for technology giant Foxconn and offered an experiential space in which to test Pininfarina's cutting-edge design tools and holistic styling, aerodynamics and user interaction skills.

In March, at MIPIM in Cannes, Pininfarina unveiled its new projects in the building and branded housing sector: Iconic Tower design by Pininfarina, a residential project developed in Dubai for Mered, and the prefabricated system Notch design by Pininfarina.

In the same month Pininfarina officially presented the design of Unica, a new residential project that will be built by developer Vizora in the heart of Puerto Madero district in Buenos Aires, Argentina.

In April, during the Milan Design Week, Pininfarina unveiled its first collectible design project, the Oksýs chaise longue.

On 19 April, at the Shanghai International Circuit, the FORMULA 1 LENOVO CHINESE GRAND PRIX 2024 kicked off, whose trophy was designed by Pininfarina and also won the Platinum A' Design Award 2024.

Morgan Motor Company and Pininfarina presented Midsummer, a Barchetta two-seater manufactured in only 50 units, the first production car to carry the Pininfarina Fuoriserie badge.

At the Concorso d'Eleganza Villa d'Este 2024 two Pininfarina masterpieces won awards: the Ferrari 275 GTS of 1966 and Fiat Dino Aerodinamica Pininfarina of1967.

Pininfarina announced a project for Primeclass Pacifico, a series of five airport lounges of different sizes located at international Nuevo Pudahuel – Arturo Merino Benítez airport in Santiago del Cile.

Pininfarina Hybrid Smartwatches by Globics unveiled Sintesi, the second hybrid smartwatch in its collection.

In August Pininfarina announced an important trade agreement worth over EUR 90 million with a leading OEM for development and production.

The Honda HP-X concept car, designed and built by Pininfarina in 1984, debuted in North America at the 2024 Pebble Beach Concours d'Elegance after careful restoration performed at the Pininfarina workshop in Cambiano.

In September, at the Turin motor show Salone Auto Torino, Pininfarina exhibited the Battista electrical hypercar, the Sergio concept car and one e an example of Ferrari Testarossa to celebrate its 40th anniversary.

At the Cannes Yachting Festival, Austin Parker unveiled its new range of yachts designed by Pininfarina and Fulvio De Simoni Design Studio.

Pininfarina designed the livery for the new aircraft for the Italian Air Force National Aerobatic Team. The project was unveiled in September at the Istrana military airport during the ceremony marking the return of the Frecce Tricolori from their "North America Tour 2024".

Baku City Circuit Operations Company chose Pininfarina to manufacture the official trophy for the Azerbaijan Gran Prix 2024. Pininfarina subsequently designed also the trophy for the Lenovo Grande Prêmio De São Paulo 2024.

In Nanking, China, FILA and Pininfarina presented the FILA Design by Pininfarina Collection, unveiling the new FILA AERO footwear and apparel series inspired from three iconic Pininfarina concept car models.

In October, Hon Hai Technology Group ("Foxconn") presented MODEL D, a Lifestyle Multipurpose Utility Vehicle (LMUV) designed in collaboration with Pininfarina.

Pininfarina Architecture and Eutropia Architettura, jointly with Weber Architects and a wide interdisciplinary group, were awarded the international tender for the urban regeneration, architectural and functional redevelopment of the former tobacco factory complex Manifattura Tabacchi in Turin.

At the classic car and motorcycle trade fair Auto e Moto d'Epoca Bologna, Pininfarina presented Pininfarina Classiche, its classic car valorisation programme.

Vidde Alfa, the electrical snowmobile developed by Vidde and Pininfarina, won the gold prize in the Circular Design category at the German Design Awards 2025.

In November, during the China International Import Exhibition, Otis Electric Elevator Company presented its new Otis Electric Villa elevator, developed by the Pininfarina Shanghai team.

The Fiat 500 model became a scooter, E-Moped 500, engineered in collaboration with Centro Stile Fiat and designed by Pininfarina, unveiled at Eicma 2024.

The Cyrela by Pininfarina residential project in Porto Alegre, Brazil, was completed and inaugurated.

PININFARINA GROUP'S FINANCIAL PERFORMANCE AND FINANCIAL POSITION

The Group's reclassified statements of profit or loss and financial position, as well as its net financial position (as analysed by management) and the key financial indicators used by management to monitor the Group's performance are set out below.

Consolidated financial performance (reclassified consolidated statement of profit or loss)

(EUR'000)	2024	%	2023	%	Change
Revenue from sales and services	**91,145**	**99.2%**	87,159	96.4%	3,986
Other income	**707**	**0.8%**	3,257	3.6%	(2,550)
TOTAL REVENUE	**91,852**	**100.0%**	90,416	100.0%	**1,436**
Purchases, services, other variable production costs and other operating expense (*)	**(43,225)**	**(47.1%)**	(44,964)	(49.7%)	1,739
VALUE ADDED	**48,627**	**52.9%**	45,452	50.3%	**3,175**
Personnel expense (**)	**(43,136)**	**(47.0%)**	(40,350)	(44.6%)	(2,786)
GROSS OPERATING PROFIT	**5,491**	**6.0%**	5,102	5.6%	**389**
Amortisation and depreciation	**(4,105)**	**(4.5%)**	(3,766)	(4.2%)	(339)
(Additions to)/Decreases in provisions and impairment (losses)/reversals	**(4,947)**	**(5.4%)**	(1,617)	(1.8%)	(3,330)
OPERATING LOSS	**(3,561)**	**(3.9%)**	(281)	(0.3%)	**(3,280)**
Net financial expense	**(967)**	**(1.1%)**	(1,364)	(1.5%)	397
Share of profit of equity-accounted investees	**11**	**0.0%**	30	0.0%	(19)
LOSS BEFORE TAXES	**(4,517)**	**(4.9%)**	(1,615)	(1.8%)	**(2,902)**
Income taxes	**389**	**0.4%**	24	0.0%	365
LOSS FOR THE YEAR	**(4,128)**	**(4.5%)**	(1,591)	(1.8%)	**(2,537)**

(*) **Purchases, services, other variable production costs and other operating expense** is shown net of utilisations of the restructuring provision for EUR 38 thousand in 2023. There we no utilisations in 2024.

(**) **Personnel expense** is reported net of utilisations of the restructuring provision for EUR 62 thousand in 2023. There we no utilisations in 2024.

As required by Consob Resolution DEM/6064293 of 28 July 2006 a reconciliation of the figures in the consolidated financial statements with those in the reclassified schedules is provided below:

- **Purchases, services, other variable production costs and other operating expense** comprises the captions Purchases, services, other variable production costs and Other operating expense,

- **(Additions to)/Decreases in provisions and impairment (losses)/reversals** comprises the captions Decreases in/(Additions to) provisions, Net impairment reversals (write-downs) of Trade and other receivables and Net impairment reversals (losses) of property, plant and equipment, intangible assets and right-of-use assets.

Revenue from sales and services, including the change in contract assets and royalties, amounted to EUR 91.1 million, an increase of EUR 4.0 million on the prior year. **Other income** amounted to EUR 0.7 million (EUR 3.3 million in 2023).

Total consolidated revenue for 2024 increased to EUR 91.9 million, vs. EUR 90.4 million for the prior year (+1.6%). The increase relates to the design segment for about 1.8%, whereas the engineering segment grew by about 0.6% on the previous year.

Operating expense, inclusive of changes in inventories, amounted to EUR 43.2 million (EUR 45.0 million for 2023).

Value added stood at EUR 48.6 million, up by 7.0% on the previous year.

Personnel expense amounted to EUR 43.1 million (EUR 40.3 million in 2023). Headcount at 31 December 2024 was 486 (467 at 31 December 2023).

The **gross operating profit** was equal to EUR 5.5 million (EUR 5.1 million in 2023) and was mainly generated by the operating profits of the Parent and the US and Chinese subsidiaries.

Amortisation/depreciation amounted to EUR 4.1 million, up from the previous year (EUR 3.8 million).

The balance of **additions to provisions, releases of provisions, impairment losses and impairment reversals** was a negative EUR 4.9 million (a negative EUR 1.6 million for 2023) mainly as a result of a provision posted by the Parent.

The Group consequently reports an **operating loss** of EUR 3.6 million (an operating loss of EUR 0.3 million for 2023).

Financial income and expense for 2024 gave a **net financial expense** of EUR 1.0 million, an improvement compared with the previous year.

The Group recognised an **income tax benefit** of EUR 0.4 million, resulting from EUR 0.5 thousand in income tax on the profits generated by the Parent and Pininfarina of America, offset by deferred tax assets of EUR 0.9 thousand reported by the Parent following the re-measurement at fair value of the historical collection (detail on which are provided further below).

The Group reports a net **loss for the year** of EUR 4.1 million, vs. a net loss of EUR 1.6 million for the year ended 31 December 2023.

Consolidated financial position (reclassified consolidated statement of financial position)

(EUR'000)	31 Dec. 2024	31 Dec. 2023	Change
Non-current assets (A)			
Intangible assets	**715**	625	90
Property, plant and equipment	**36,190**	31,597	4,593
Right-of-use assets	**3,389**	3,190	199
Equity investments	**1,062**	1,136	(74)
Total non-current assets (A)	**41,356**	36,548	**4,808**
Working capital (B)			
Inventories	**820**	419	401
Contract assets	**5,502**	4,997	505
Trade and other receivables	**18,179**	28,044	(9,865)
Net deferred tax liabilities	**(666)**	(247)	(419)
Trade payables	**(15,557)**	(15,540)	(17)
Contract liabilities	**(7,611)**	(16,390)	8,779
Provisions for risks and charges	**(4,133)**	(795)	(3,338)
Other liabilities (*)	**(7,114)**	(6,749)	(365)
Total working capital (B)	**(10,580)**	(6,261)	**(4,319)**
Net invested capital (C=A+B)	**30,776**	30,287	**489**
Employee benefits (D)	**(3,391)**	(2,739)	(652)
Net capital requirements (E=C-D)	**27,385**	27,548	**(163)**
Equity (F)	**35,629**	36,079	**(450)**
Net financial position (G)			**-**
Non-current loans and borrowings	**1,996**	13,017	(11,021)
(Net cash and cash equivalents) / Net debt	**(10,240)**	(21,548)	11,308
Total financial position (G)	**(8,244)**	(8,531)	**287**
Total Own funds and borrowings (H = F+G)	**27,385**	27,548	**(163)**

(*) Other liabilities comprises the statement of financial position captions Other current liabilities and Current tax liabilities.

Net capital requirements at 31 December 2024 decreased by approximately EUR 0.2 million compared with the previous year.

In detail:

- **Net non-current assets** totalled EUR 41.4 million, a marked increase compared with the previous year, with increases in Property, plant and equipment for EUR 4.6 million, inclusive of the effects of the fair value adjustment to the historical collection for EUR 4.8 million, in right-of-use assets for EUR 0.2 million and in intangible assets for EUR 0.1 million, slightly offset by a decrease in equity investments for EUR 0.1 million;
- **Working capital** decreased by EUR 4.3 million compared with 31 December 2023;
- **Employee benefits**, equal to EUR 3.4 million, increased by EUR 0.7 million compared with 31 December 2023 mainly as a result of the LTI plan started in the previous year.

Net capital requirements are funded by **equity**, which decreased by EUR 0.5 million from EUR 36.1 million at 31 December 2023 to EUR 35.6 million at 31 December 2024 mainly as a result of the net consolidated loss for the year, counterbalanced by the recognition of the revaluation surplus arising from the fair value adjustment to the historical collection, and by net financial position (detailed in the following table) of EUR 8.2 million, which worsened slightly compared with the EUR 8.5 million at 31 December 2023 mainly as a result of changes in working capital during the year.

	31 Dec. 2024	31 Dec. 2023	Change
Cash and cash equivalents	**24,919**	26,977	(2,058)
Bank overdrafts	**(1,471)**	(843)	(628)
Other current financial liabilities	**(12,087)**	(3,578)	(8,509)
Current lease liabilities	**(1,121)**	(1,008)	(113)
Net cash and cash equivalents / (Net current financial debt)	**10,240**	21,548	**(11,308)**
Non-current financial assets - related parties	**550**	550	-
Non-current lease liabilities	**(2,546)**	(2,391)	(155)
Other non-current financial liabilities	**-**	(11,175)	11,175
Net non-current financial debt	**(1,996)**	(13,016)	**11,020**
NET FINANCIAL POSITION	**8,244**	8,532	**(288)**

For completeness, below is a schedule showing **Net financial debt** presented in accordance with the format recommended by the ESMA Guidelines 32-82-1138, applicable from 5 May 2021, on disclosure obligations pursuant to Regulation (EU) 2017/1129. The schedule shows assets with a minus sign and liabilities with a plus sign. In contrast, in the Net financial position schedule above assets are shown with a plus sign and liabilities with a minus sign.

		31 Dec. 2024	31 Dec. 2023	Change
(A)	Cash	**(24,919)**	(26,977)	2,058
(B)	Cash equivalents	**-**	-	-
(C)	Other current financial assets	**-**	-	-
(D)	**Liquidity (A+B+C)**	**(24,919)**	(26,977)	**2,058**
(E)	Current financial debt	**13,558**	843	12,715
(F)	Current portion of non-current financial debt	**1,121**	4,586	(3,465)
(G)	**Current financial debt (E+F)**	**14,679**	5,429	**9,250**
(H)	**Net current financial debt (E+F)**	**(10,240)**	(21,548)	**11,308**
(I)	Non-current financial debt	**2,546**	13,566	(11,020)
(J)	Debt instruments	**-**	-	-
(K)	Trade payables and other current liabilities	**-**	-	-
(L)	**Net non-current financial debt (I+J+K)**	**2,546**	13,566	**(11,020)**
(M)	**Net financial debt (H+L)**	**(7,694)**	(7,982)	**288**

The difference between the net financial position and **net financial debt** values is attributable to the fact that the latter does not include loans and non-current financial assets. Those differences amounted to EUR 550 thousand at 31 December 2024 (unchanged from 31 December 2023).

Please note that net financial debt at 31 December 2024 includes the effect of the application of IFRS 16 for a total amount of around EUR 3.7 million, vs. EUR 3.4 million at 31 December 2023.

PERFORMANCE BY BUSINESS SEGMENT

Design segment

In addition to the revenue from the automotive and non-automotive design activities of all kinds, this segment includes revenue from architecture services, royalties for the use of the Pininfarina trademark, revenue from aerodynamic and aeroacoustics services and the costs arising from the property management of the Parent, Pininfarina S.p.A. **Total revenue** was equal to EUR 76.8 million, an increase of around 1.8% on the EUR 75.5 million reported for 2023.

The segment had an **operating loss** of EUR 2.2 million, vs. an operating profit of EUR 1.3 million in the previous year.

Its operating performance was adversely affected by activities relating to the Parent, partly counterbalanced by the operating profits posted by Pininfarina of America and Pininfarina Shanghai.

Engineering segment

This segment, comprising the German engineering business, had **total revenue** equal to EUR 15.0 million, around EUR 0.1 million higher than in 2023.

Its **operating loss** was equal to EUR 1.3 million, vs. an operating loss of EUR 1.6 million in 2023.

HIGHLIGHTS OF GROUP COMPANIES

Pininfarina S.p.A.

(EUR'm)	**31 Dec. 2024**	**31 Dec. 2023**	**Change**
Total revenue	**63.9**	66.7	(2.8)
Operating profit/(loss)	**(4.3)**	0.9	(5.2)
Loss for the year	**(4.8)**	(2.8)	(2.0)
Net financial position	**7.9**	9.2	(1.3)
Equity	**43.7**	45.1	(1.4)
Headcount	**265**	266	(1)

Pininfarina Deutschland GmbH

(EUR'm)	**31 Dec. 2024**	**31 Dec. 2023**	**Change**
Total revenue	**15.1**	15.2	(0.1)
Operating loss	**(1.3)**	(1.6)	0.3
Loss for the year	**(1.6)**	(1.8)	0.2
Net financial position (debt)	**0.2**	(0.5)	0.7
Equity	**4.7**	6.3	(1.6)
Headcount	**134**	135	(1)

Pininfarina Shanghai Co Ltd

(EUR'm)	**31 Dec. 2024**	**31 Dec. 2023**	**Change**
Total revenue	**6.6**	3.1	3.5
Operating profit/(loss)	**0.4**	(1.3)	1.7
Profit (Loss) for the year	**0.4**	(1.3)	1.7
Net financial position	**1.2**	0.8	0.4
Equity	**0.3**	(0.1)	0.4
Headcount	**51**	30	21

Pininfarina of America Corp.

(EUR'm)	31 Dec. 2024	31 Dec. 2023	Change
Total revenue	**9.0**	8.1	0.9
Operating profit	**1.7**	1.7	-
Profit for the year	**1.2**	1.3	(0.1)
Net financial position	**1.3**	1.2	0.1
Equity	**4.0**	3.0	1.0
Headcount	**36**	36	-

Pininfarina Engineering S.r.l. in liquidation

(EUR'm)	31 Dec. 2024	31 Dec. 2023	Change
Total revenue	**-**	-	-
Operating loss	**(0.1)**	(0.1)	-
Loss for the year	**(1.3)**	(3.1)	1.8
Net financial position (debt)	**0.1**	-	0.1
Equity	**8.0**	9.3	(1.3)
Headcount	**-**	-	-

FINANCIAL PERFORMANCE AND FINANCIAL POSITION OF THE PARENT, PININFARINA S.P.A..

Financial performance (reclassified statement of profit or loss)

(EUR'000)	2024	%	2023	%	Change
Revenue from sales and services	**63,658**	**99.6%**	63,887	95.7%	(229)
Other income	**237**	**0.4%**	2,852	4.3%	(2,615)
TOTAL REVENUE	**63,895**	**100.0%**	66,739	100.0%	**(2,844)**
Purchases, services, other variable production costs and other operating expense	**(35,080)**	**(54.9%)**	(37,909)	(56.8%)	2,829
VALUE ADDED	**28,815**	**45.1%**	28,830	43.2%	**(15)**
Personnel expense (*)	**(25,227)**	**(39.5%)**	(23,811)	(35.7%)	(1,416)
GROSS OPERATING PROFIT	**3,588**	**5.6%**	5,019	7.5%	**(1,431)**
Amortisation and depreciation	**(2,917)**	**(4.6%)**	(2,631)	(3.9%)	(286)
(Additions to)/Decreases in provisions and impairment (losses)/reversals	**(4,949)**	**(7.7%)**	(1,485)	(2.2%)	(3,464)
OPERATING PROFIT (LOSS)	**(4,278)**	**(6.7%)**	903	1.4%	**(5,181)**
Net financial expense	**(602)**	**(0.9%)**	(1,081)	(1.6%)	479
Net losses on equity investments	**(769)**	**(1.2%)**	(3,013)	(4.5%)	2,244
LOSS BEFORE TAXES	**(5,649)**	**(8.8%)**	(3,191)	(4.8%)	**(2,458)**
Income taxes	**815**	**1.3%**	412	0.6%	403
LOSS FOR THE YEAR	**(4,834)**	**(7.6%)**	(2,779)	(4.2%)	**(2,055)**

*(*) **Personnel expense** is reported net of utilisations of the restructuring provision for EUR 62 thousand in 2023. There we no utilisations in 2024.*

As required by Consob Resolution DEM/6064293 of 28 July 2006 a reconciliation of the figures in the separate financial statements with those in the reclassified schedules is provided below:

- ***Purchases, services, other variable production costs and other operating expense** comprises the captions Purchases, services, other variable production costs and Other operating expense,*

- ***(Additions to)/Decreases in provisions and impairment (losses)/reversals*** *comprises the captions Decreases in/ (Additions to)* provisions*, Net impairment reversals (write-downs) of Trade and other receivables and Net impairment reversals (losses) of property, plant and equipment, intangible assets and right-of-use assets.*

Revenue from sales and services inclusive of changes in contract work in progress amounted to EUR 63.7 million, vs. EUR 63.9 million in 2023. In detail, sales from services were equal to EUR 57.8 million, accounting for 90.9% of the total (EUR 57.5 million in 2023, 90.0% of total revenue), sales of models amounted to EUR 1.2 million, equal to 1.8% of total revenue (EUR 2.9 million in 2023, 4.6% of total revenue), royalties billed amounted to EUR 4.8 million, 7.6% of total revenue (EUR 4.0 million in 2023, 6.2% of total revenue). Direct exports, including royalties, accounted for 92.6% of total revenue (92.1% of total revenue in 2023), of which: 53.3% generated in the European Union and 39.3% outside the EU. Transactions with subsidiaries contributed 3.3% to total revenue (11.1% in the previous year).

Other income amounted to EUR 0.2 million (EUR 2.9 million in 2023) and comprises mostly the gain on the disposal of the Beinasco manufacturing facility.

Total revenue for the year ended 31 December 2024 was therefore equal to EUR 63.9 million, down from EUR 66.7 million for the year ended 31 December 2023 (-4.3%).

Purchases, services, other variable production costs and other operating expense decreased by EUR 2.8 million, from EUR 37.9 to EUR 35.1 million, going from 56.8% to 54.9% as a percentage of total revenue.

Value added stood at EUR 28.8 million, virtually unchanged from the previous year, accounting for 45.1% of total revenue vs. 43.2% in 2023.

Personnel expense, up by EUR 1.4 million on the previous year, accounted for 39.5%of total revenue vs. 35.7% in the previous year.

Gross operating profit was EUR 3.6 million (5.6% of total revenue) vs. EUR 5.0 million for the previous year (7.5% of total revenue). The decrease in total revenue and the increase in personnel expense as a percentage of total revenue explain the negative difference between the two years.

Amortisation and depreciation amounted to EUR 2.9 million, up from EUR 2.6 million in 2023, accounting for 4.6% of total revenue (3.9% in 2023).

The balance of **additions to provisions, releases of provisions, impairment losses and impairment reversals** was a negative EUR 4.9 million (a negative EUR 1.5 million for 2023) mainly due to the combined effect of provisions for litigation with GreenGT, the provisions for losses to complete long-term contracts and the loss allowance.

The company reports an **operating loss** of EUR 4.3 million (-6.7% of total revenue) vs. an operating profit of EUR 0.9 million for the previous year (1.4% of total revenue).

The year 2024 shows **net financial expense** equal to EUR 0.6 million, vs. EUR 1.1 million in 2023, accounting for 0.9% of total revenue (1.6% in 2023).

Net losses on equity investments amounted to EUR 0.8 million (-1.2% of total revenue) and are the balance of the impairment loss on the investment in Pininfarina Engineering in liquidation for EUR 1.2 million and dividends paid by Pininfarina of America for EUR 0.5 million as well as gains arising from equity method accounting.

The **loss for the year** totalled EUR 4.8 million (-7.6% of total revenue), vs. a loss of EUR 2.8 million for 2023 (-4.2% of total revenue).

Financial position (reclassified statement of financial position)

(EUR'000)	31 Dec. 2024	31 Dec. 2023	Change
Net non-current assets (A)			
Intangible assets	**715**	606	109
Property, plant and equipment	**35,453**	31,030	4,423
Right-of-use assets	**1,010**	637	373
Equity investments	**11,442**	12,762	(1,320)
Total Net non-current assets (A)	**48,620**	45,035	**3,585**
Working capital (B)			
Inventories	**820**	419	401
Contract assets	**964**	1,146	(182)
Trade and other receivables	**15,878**	27,782	(11,904)
Assets held for sale	**-**	-	-
Net deferred tax liabilities	**(666)**	(247)	(419)
Trade payables	**(11,834)**	(12,888)	1,054
Contract liabilities	**(5,194)**	(16,397)	11,203
Provisions for risks and charges	**(4,164)**	(926)	(3,238)
Other liabilities (*)	**(5,207)**	(5,321)	114
Total Working capital (B)	**(9,403)**	(6,432)	**(2,971)**
Net invested capital (C=A+B)	**39,217**	38,603	**614**
Employee benefits (D)	**(3,391)**	(2,739)	(652)
Net capital requirements (E=C-D)	**35,826**	35,864	**(38)**
Equity (F)	**43,708**	45,098	**(1,390)**
Net financial position (G)			
(Financial assets)/Non-current financial debt	**(2,223)**	8,885	(11,108)
(Net cash and cash equivalents)/Net debt	**(5,659)**	(18,119)	12,460
Total Net financial position (G)	**(7,882)**	(9,234)	**1,352**
Total Own funds and borrowings (H = F+G)	**35,826**	35,864	**(38)**

(*) Other liabilities comprises the statement of financial position captions Other current liabilities and Current tax liabilities.

Net non-current assets amounted to EUR 48.6 million, an increase of EUR 3.6 million compared with the previous year.

In detail, **intangible assets** increased by EUR 0.1 million**, right-of-use assets** increased by EUR 0.4 million and **property, plant and equipment** increased by EUR 4.4 million, the net balance of an increase of EUR 2.0 million, mainly due to the purchase of plant, the fair value adjustment to the historical collection for EUR 4.8 million, and depreciation charges for EUR 2.4 million. **Equity investment** decreased by EUR 1.3 million compared with the previous year as a result of the impairment loss on the investment in Pininfarina Engineering in liquidation and the adverse impact of the fair value adjustments of equity investments carried at equity and other investments carried at fair value, which were recognised in other comprehensive income.

Working capital was a negative EUR 9.4 million, vs. a negative EUR 6.4 million at 31 December 2023. **Employee benefits** amounted to EUR 3.4 million, up by EUR 0.7 million on 2023.

Net capital requirements remained in line with the previous year and are funded by **equity**, equal to EUR 43.7 million having decreased by EUR 1.4 million from the EUR 45.1 million at 31 December 2023 as a result of the comprehensive loss for the year and the increase in the revaluation surplus due to the fair value adjustment to the historical collection, and by the **net financial position** amounting to EUR 7.9 million at 31 December 2024, as shown in the following schedule, having decreased by EUR 1.3 million on 31 December 2023 (EUR 9.2 million) mainly due to changes in working capital.

	31 Dec. 2024	31 Dec. 2023	Change
Cash and cash equivalents	**18,053**	21,867	(3,814)
Bank overdrafts	**-**	-	-
Other current financial liabilities	**(12,087)**	(3,578)	(8,509)
Current lease liabilities	**(307)**	(170)	(137)
Net current financial assets / (Net current financial debt)	**5,659**	18,119	**(12,460)**
Non-current financial assets from related parties	**2,978**	2,810	168
Non-current lease liabilities	**(755)**	(520)	(235)
Other non-current financial liabilities	**-**	(11,175)	11,175
Net financial assets / (Net non-current debt)	**2,223**	(8,885)	**11,108**
NET FINANCIAL POSITION	**7,882**	9,234	**(1,352)**

Also with reference to the Parent's figures, for completeness we report below a schedule showing **Net financial debt** presented in accordance with the format recommended by the ESMA Guidelines 32-82-1138, applicable from 5 May 2021, on disclosure obligations pursuant to Regulation (EU) 2017/1129. The schedule shows assets with a minus sign and liabilities with a plus sign. In contrast, in the Net financial position schedule above assets are shown with a plus sign and liabilities with a minus sign.

		31 Dec. 2024	31 Dec. 2023	Change
(A)	Cash	**(18,053)**	(21,867)	3,814
(B)	Cash equivalents	**-**	-	-
(C)	Other current financial assets	**-**	-	-
(D)	**Liquidity (A+B+C)**	**(18,053)**	(21,867)	3,814
(E)	Current financial debt	**12,087**	-	12,087
(F)	Current portion of non-current financial debt	**307**	3,748	(3,441)
(G)	Current financial debt (E+F)	**12,394**	3,748	8,646
(H)	**Net current financial debt (E+F)**	**(5,659)**	(18,119)	12,460
(I)	Non-current financial debt	**755**	11,695	(10,940)
(J)	Debt instruments	**-**	-	-
(K)	Trade payables and other current liabilities	**-**	-	-
(L)	**Net non-current financial debt (I+J+K)**	**755**	11,695	(10,940)
(M)	**Net financial debt (H+L)**	**(4,904)**	(6,424)	1,520

The difference between the net financial position and **net financial debt** values is attributable to the fact that the latter does not include loans and non-current financial assets. Those differences amounted to EUR 2,978 thousand at 31 December 2024 (EUR 2,810 thousand at 31 December 2023).

Please note that net financial debt at 31 December 2024 includes the effect of the application of IFRS 16 for a total amount of around EUR 1,062 thousand, vs. EUR 690 thousand at 31 December 2023.

Reconciliation of the Parent's loss for the year and equity with the consolidated loss for the year and equity

The loss for the year and equity at 31 December 2024 of Pininfarina S.p.A. are reconciled with the corresponding figures of Pininfarina Group as follows.

(EUR'000)	**Loss for the year**		**Equity**	
	31 Dec. 2024	**31 Dec. 2023**	**31 Dec. 2024**	**31 Dec. 2023**
Pininfarina S.p.A.'s separate financial statements	**(4,834)**	(2,779)	**43,708**	45,098
- Subsidiaries' contribution	**(73)**	(1,855)	**(2,607)**	(5,993)
- Elimination of trademark licence in Germany	**-**	-	**(6,749)**	(6,749)

(EUR'000)	Loss for the year		Equity	
	31 Dec. 2024	31 Dec. 2023	31 Dec. 2024	31 Dec. 2023
- Intragroup dividends	**(467)**	(548)	**-**	-
- Impairment losses on equity investments	**1,246**	3,592	**1,246**	3,592
- Provision for subsidiary's winding up procedure	**-**	-	**31**	131
Pininfarina Group's consolidated financial statements	**(4,128)**	(1,591)	**35,629**	36,078

Disclosure required by Consob Resolution No. 15519 of 27 July 2006 on the effects of the Parent's transactions with related parties

Pursuant to Consob Resolution No. 15519 of 27 July 2006 Pininfarina S.p.A. presents its related party transactions directly in its statement of profit or loss, to which reference is made.

Assets and liabilities and cash flows related to transactions with related parties are also not presented in a separate schedule as they are reported on separate lines of the statement of financial position and statement of cash flows, to which reference is made. Comments on the captions are provided in the notes to the consolidated and to the separate financial statements.

DEVELOPMENT OF THE GROUP

Corporate governance

In the course of 2024, the corporate governance model of Pininfarina S.p.A. underwent a significant transformation.

At the beginning of the year the Company adopted the traditional management and supervision model, consisting of a Board of Directors, the management body, and a board of statutory auditors (*Collegio Sindacale*) as the supervisory body, both appointed by the shareholders in general meeting.

Effective 1 August 2024, the Company has adopted the one-tier corporate governance model, regulated by article 2409-sexiesdecies and following articles of the Italian Civil Code. Under this model, the shareholders in general meeting appoint a Board of Directors responsible for managing the business, which in turn appoints a Governance Committee from among its members that acts as the supervisory body.

The one-tier governance model, in addition to being the governance system closest to international best practices, is characterised by the concentration of the management and supervision functions in the management body, which facilitates the synergic operation of the two functions, streamlining the exercise of management and supervision powers, ensuring a more efficient circulation of information flows and making it possible to benefit from assessments and controls prepared preliminarily by an internal committee made of highly qualified independent directors.

The Board of Directors is responsible for managing the Company's business. The Board of Directors as a rule meets at least quarterly, upon a call from the Chair or from the persons entitled to call such a meeting by law and in accordance with the corporate bylaws, and has the broadest powers of ordinary and extraordinary administration, as any matters that are not expressly reserved for the shareholders in general meeting, by law or by the corporate bylaws, fall into its remit.

Moreover, the Board of Directors has established from among its members a Nomination and Remuneration Committee, a Related Party Transaction Committee and a Sustainability (ESG) Committee, whereas the functions of the Audit and Risk Committee have been assigned to the Governance Committee. The above-mentioned internal board committees are called upon to express their opinions on issues within their competence and to report regularly to the Board of Directors.

The corporate governance system is compliant with the Corporate Governance Code and the law provisions governing Italian listed companies, and is based, *inter alia*, on the following principles:

i) the set of recognised and shared values, as set out in the Code of Ethics;

ii) the central role of the Board of Directors;

iii) the effectiveness and transparency of management choices;

iv) the adequacy of the Internal Control System;

v) the correct handling of confidential and inside information.

For more information on the composition, functioning and characteristics of the corporate bodies and the one-tier corporate governance system, please refer to the Report on Corporate Governance and Ownership Structure pursuant to Article 123-bis of the Consolidated Finance Act for the year 2024 approved by the Board of Directors.

Sustainability

The Pininfarina Group has long integrated sustainability at the heart of its corporate strategy, with a long-term commitment that combines economic growth, social responsibility and respect for the environment. This vision translates into a concrete commitment to the creation of innovative solutions that not only reflect design excellence, but also a harmonious balance between economic and environmental and social needs, enabling the Group to continue to shape the future of the sectors in which it operates by setting the benchmark for innovation and sustainability.

In essence, the Group continues to pursue its mission to be not only a leader in design, but also a model for sustainable development, demonstrating that innovation and social and environmental responsibility can go hand in hand.

The decision to draw up a Sustainability Report, on a voluntary basis, also for 2024 further underscores this commitment. The purpose of this document is not only to illustrate the Group's achievements and objectives in the ESG (Environmental, Social, Governance) area, but also to serve as a tool for appropriate communication and transparency towards the market and the various stakeholders.

Human resources and environment

The Pininfarina Group promotes a culture based on meritocracy, the recognition and awareness of the duties assigned to and the professional contribution provided by its people. It is committed to ensuring equal opportunities and access to the same remuneration level and career advancement, development and training for all its employees, irrespective of their gender.

Testimony to management's commitment to promoting an increasingly inclusive corporate culture is the successful completion by the Parent, in December, of the periodical audit to maintain the Gender Equality Certification (UNI PdR 125:2022) obtained in 2023.

In the course of 2024:

- The Parent started procedures under the ordinary temporary redundancy benefit scheme "Cassa Integrazione Guadagni Ordinaria";

- There were no deaths at the workplace; there were two workplace accidents with absences longer than three days and one accident on the way to/from work. There were no claims against the Company for occupational diseases from current or former employees, or claims relating to mobbing.

With regard to expenditure on safety in the workplace and to the environment, the Company pays the utmost attention to ensuring that operating layouts and work machinery/equipment are constantly upgraded and/or improved in accordance with current regulations. For the year 2025, the budgeted expenditure on this area is around EUR 775 thousand.

In general, Pininfarina considers the protection of the environment and the occupational health and safety of its workers as priorities to achieve its objectives. Also in line with this important commitment, the company has an Environmental Management System certified under the UNI EN ISO 14001:2015 standard. In 2024 the company's Environmental Management System was subjected to a recertification audit at all Italian facilities by a notified third-party body. The audit was successful. A monitoring audit will be performed in 2025.

With reference to the environmental audit carried out in 2011 at the Grugliasco facility that was sold to Sviluppo Investimenti Territorio S.r.l. (SIT) in 2009, which was commented on in the 2022 directors' report, in addition to what reported in the Directors' report for the year ended 31 December 2023, we note that in the course of 2024 the company submitted to the competent authorities the Project for permanent safety measures – Modification during work in progress of the reclamation project previously approved with D.D. No. 993 of 17 December 2021 and D.D. No. 151 of 24 February 2022. Following subsequent requests for additions and modifications made by those same authorities, the Project was further modified and

will be submitted for approval in its final version in the first half of 2025. Absent further requests, the Company expect to complete safe-making activities within 2025. The costs of those activities and works, which are managed by Pininfarina as the party that initiated the proceedings with the authorities, as established by the private deed signed by the parties on 11 April 2022, and subsequently updated on 18 July 2024, will continue to be borne by the owners/operators.

Research

The Group did not carry out any research during the year.

Additional disclosures

During the period from the reporting date to the date of preparation of this report, none of the group companies has approved the distribution of dividends to Pininfarina S.p.A..

Reference should be made to the “General information” section of the notes for details on branches.

The Parent does not hold shares in its ultimate Parent; reference should be made to the notes to the separate financial statements (Note 12) for information on treasury shares.

Reference should be made to the notes to the separate financial statements (Note 32) for the disclosures required by article 2428, paragraph 6-bis, letters a)/b), of the Italian Civil Code.

Moreover, on 29 January 2025 the Board of Directors resolved to use the extended term of 180 days, pursuant to article 2364, paragraph 2, of the Italian Civil Code, for approval by the shareholders of the Parent’s financial statements at 31 December 2024, based on approval of the consolidated financial statements, as well as on completion of the modification of the Company’s corporate governance following the adoption of the one-tier governance system on 1 August 2024.

GOING CONCERN

The year 2024 was characterised by the Group’s positive performance, which resulted in a slight increase in revenue and gross operating profit compared with the previous year. The Group, however, again reports an operating loss and a net loss, whose values were lower than expected mainly due to provisions and non-cash write-downs, which, in particular, negatively impacted the results of the Parent, Pininfarina S.p.A..

With regard to the year 2025, the climate of uncertainty that affected the automotive industry in the second half of 2024 has involved a review of the product strategies of the world’s major carmakers resulting in the suspension or slowdown of programmes to the detriment of the entire automotive supply chain.

This also applies to the market in which the Company and the Group operate, where demand for certain services directly connected with the launch of new models has slowed down.

In line with previous years and in light of the above, the Group remains focused on identifying the actions necessary to pursue the following objectives:

- creating the conditions for restoring the Group’s ability to generate consistent profits;
- safeguarding the level of capitalisation required by law and by agreements with credit institutions;
- maintaining adequate financial resources to meet the Group’s financing requirements.

Although a certain stability in business opportunities can be seen in some geographic areas, the actual figures for the 2024 financial year confirm the need to continue, also with the support of external advisors, initiatives aimed at improving profit margins and sales volumes and containing direct costs and overheads that are necessary to ensure the generation of financial resources and return to operating profit in a short timeframe.

In addition, the Group carefully monitors the Parent’s equity due to the need to comply with the provisions of the Italian Civil Code on safeguarding share capital, as well as consolidated equity for the purpose of compliance with the only financial covenant in the current debt restructuring agreement with the lenders, which provides for a minimum consolidated equity value of EUR 30 million. Under the terms of the agreement, this is verified on 31 March of each year (at 31 March 2024 and, based on the pre-actual figures at 31 March 2025, the covenant was complied with).

With regard to liquidity, the Group's net financial position at 31 December 2024 was net assets of EUR 8.2 million, which includes cash and cash equivalents of EUR 24.9 million, non-current financial debt of EUR 12.1 million (stated at amortised cost) and bank overdrafts of EUR 1.5 million related to factoring contracts of the German subsidiary. It should be noted that cash and cash equivalents include a portion equal to EUR 1.2 million that is related to advances received against contracts in progress (recognised as contractual liabilities) and therefore is effectively committed to the fulfilment of contractual obligations to customers.

It should be noted that non-current financial debt relates to the last tranche of the loan that is the subject of the rescheduling agreement, equal to EUR 12.8 million. This debt, maturing at the end of 2025, is fully guaranteed by the Mahindra Group, which has issued an on demand guarantee in favour of the lenders in the event that Pininfarina S.p.A. is unable to meet its obligations.

The cash flow forecasts prepared by the directors for the next 12 months show that the financial resources available at the Parent and in the Group at 31 December 2024 would be sufficient to meet the foreseeable cash outflows for operating requirements, including the remaining cost for the closing of the liquidation process of Pininfarina Engineering, expected by the end of the financial year 2025, as well as the payment of loan instalments due in the short term.

In the event of financial difficulties arising from operating requirements as well as higher than expected outlays connected with litigation pending, the Parent would also be able to raise the necessary resources through financial advances against receivables related to the main production contract in place.

For the purposes of their assessments, the Directors also took into account the fact that, as previously stated, in March 2025 the controlling shareholder committed to providing financial support to the Parent for the 12 months following the date of approval of the financial statements. Consequently, should financing requirements arise that are not covered by the estimated future operating cash flows, also in relation to the possible negative outcomes of litigation in progress and the associated outlays, the Parent will be able to meet them by using the financial support granted by the controlling shareholder.

In light of the above, the Directors have therefore concluded that the significant uncertainties highlighted in previous reports no longer exist and have used the going concern assumption in preparing these consolidated financial statements.

EVENTS AFTER THE REPORTING DATE

On 29 January 2025, Pininfarina S.p.A. was notified of the ruling, dated 17 January 2025, relating to the civil dispute pending with GreenGT. For additional details reference is made to the relevant notes to the separate financial statements.

No other significant events occurred after the reporting date.

DISCLOSURES REQUIRED BY CONSOB PURSUANT TO ARTICLE 114, PARAGRAPH 5, OF LEGISLATIVE DECREE NO. 58/98

- An analysis of the net financial positions of the Pininfarina Group and Pininfarina S.p.A., with separate classification of current and non-current items, is provided in the "Financial performance and financial position of Pininfarina Group" and "Financial performance and financial position of the Parent, Pininfarina S.p.A." sections of this report, respectively, in the comments on the statement of financial position.

- Pininfarina S.p.A. has no past-due liabilities, whereas the subsidiaries Pininfarina Deutschland GmbH and Pininfarina Shanghai have past-due trade payables of EUR 1.2 million (of which: 81% due to the Tech Mahindra Group) and EUR 0.2 million, respectively, which have not given rise to payment orders, disputes, legal proceedings or suspension of supplies.

- Transactions with related parties of Pininfarina Group and of Pininfarina S.p.A. are reported in the primary statements, respectively, of the consolidated financial statements and separate financial statements and related notes (Note 35 to the consolidated financial statements and Note 33 to the separate financial statements). The figures are substantially unchanged from those reported in the consolidated financial statements and separate financial statements of Pininfarina S.p.A. at 30 June 2024. Revenue from related party transactions accounted for 3.0% of the Group's total revenue for 2024, compared with 2.8% for the first half of the year.

- As discussed in the "Overview" section, the debt rescheduling agreement in place between Pininfarina S.p.A. and the banks provides for a one financial covenant, i.e. minimum consolidated equity (EUR 30 million) to be verified annually

starting from 31 March 2018; at 31 March 2024 the covenant had been complied with. The Group has no further financial debt involving clauses that limit its use of financial resources.

- On 22 March 2024, upon approval by the shareholders of the draft 2023 consolidated financial statements, Pininfarina S.p.A. announced to the market that its outlook for 2024 2023 was an increase in total revenue compared to 2023. Pininfarina S.p.A. has not published any other financial forecasts for 2024 other than the above.

OTHER REPORTS OR STATEMENTS REQUIRED BY APPLICABLE LEGISLATION

Report on corporate governance and ownership structure

With reference to article 123 bis, paragraph 3, of the Consolidated Finance Act, information on the adoption of the codes of conduct (Report on corporate governance and ownership structure) is available in the Investor Relations section of the Parent's website (www.pininfarina.it), as well as through the other methods provided for by current legislation.

Remuneration report

With reference to article 84-quater of the Issuers' Regulation, the remuneration report will be made available in the Investor Relations section of the Parent's website (www.pininfarina.it) as well as through the other methods and within the timeline provided for by current legislation.

OUTLOOK FOR 2025

Based on the current situation of the businesses in which Pininfarina Group operates, its outlook for 2025 is an increase in total revenue compared to 2024.

Silvio Pietro Angori

CEO

PININFARINA GROUP

CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(EUR'000)	Notes	31 Dec. 2024	of which: with related parties	31 Dec. 2023	of which: with related parties
ASSETS					
Non-current assets					
Property, plant and equipment	(5)	**36,190**		31,597	
Right-of-use assets	(6)	**3,389**		3,190	
Intangible assets	(7)	**715**		625	
Equity-accounted investments	(8)	**724**		714	
Equity investments in other companies	(9)	**338**		422	
Deferred tax assets	(19)	**-**		-	
Non-current financial assets		**550**	550	550	550
Total non-current assets		**41,906**	**550**	37,098	**550**
Current assets					
Inventories	(10)	**820**		419	
Contract assets	(20)	**5,502**	-	4,997	-
Current financial assets		**-**		-	
Trade and other receivables	(11)	**18,179**	350	28,044	549
Cash and cash equivalents	(12)	**24,919**		26,977	
Total current assets		**49,420**	**350**	60,437	**549**
Assets held for sale		**-**		-	
TOTAL ASSETS		**91,326**	**900**	97,535	**1,099**
EQUITY AND LIABILITIES					
Equity					
Share capital	(13)	**56,466**		56,466	
Other reserves	(13)	**50,695**		47,071	
Losses carried forward	(13)	**(67,405)**		(65,867)	
Loss for the year	(13)	**(4,128)**		(1,591)	
Equity attributable to the owners of the Parent		**35,629**	**-**	36,079	**-**
Equity attributable to minority interests		**-**		-	
TOTAL EQUITY		**35,629**	**-**	36,079	**-**
Non-current liabilities					
Non-current lease liabilities	(6)	**2,546**		2,392	
Other non-current financial liabilities	(14)	**-**		11,175	
Deferred tax liabilities	(19)	**666**		247	
Employee benefits	(15)	**3,391**		2,739	
Total non-current liabilities		**6,603**	-	16,553	-
Current liabilities					
Current lease liabilities	(6)	**1,121**		1,008	
Other current financial liabilities	(14)	**13,558**		4,421	
Other current liabilities	(16)	**6,111**		6,170	
Trade payables	(17)	**15,557**	1,220	15,540	955
Contract liabilities	(20)	**7,611**	67	16,390	116
Current tax liabilities		**1,003**		579	
Provisions for risks and charges	(18)	**4,133**		795	
Total current liabilities		**49,094**	**1,287**	44,903	**1,071**
TOTAL LIABILITIES		**55,697**	**1,287**	61,456	**1,071**
TOTAL EQUITY AND LIABILITIES		**91,326**	**1,287**	97,535	**1,071**

Pursuant to Consob Resolution No.15519 of 27 July 2006 an ad hoc statement of financial position showing related party transactions has not been prepared as these are already shown in the consolidated statement of financial position. As for transactions with other related parties, such as directors and statutory auditors, the caption Trade payables includes fees for the year amounting to EUR 78,310.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(EUR'000)	Notes	2024	of which: with related parties	2023	of which: with related parties
Revenue from sales and services	(20)	**91,145**	2,529	87,159	3,913
Other income	(21)	**707**	200	3,257	
TOTAL REVENUE		**91,852**	**2,729**	90,416	**3,913**
Purchases, services and other variable production costs	(22)	**(32,100)**	(397)	(34,121)	(614)
Other operating expense	(23)	**(11,125)**	(40)	(10,843)	
Personnel expense	(24)	**(43,136)**		(40,350)	
Amortisation and depreciation	(25)	**(4,105)**		(3,766)	
Releases of/(Additions to) provisions	(26)	**(3,338)**		(488)	
Net impairment reversals (write-downs) of Trade and other receivables	(27)	**(1,609)**		(1,026)	
Net impairment reversals (losses) of property, plant and equipment, intangible assets and right-of-use assets	(28)	**-**		(102)	
TOTAL EXPENSE		**(95,413)**	**(437)**	(90,697)	**(614)**
OPERATING LOSS		**(3,561)**		(281)	
Financial income	(29)	**424**		99	
Financial expense	(30)	**(1,391)**		(1,463)	
Share of profit/(loss) of equity-accounted investees	(8)	**11**		30	
LOSS BEFORE TAXES		**(4,517)**		(1,615)	
Income taxes	(19)	**389**		24	
Loss from continuing operations		**(4,128)**		(1,591)	
Profit/(Loss) from discontinued operations		**-**		-	
LOSS FOR THE YEAR		**(4,128)**		(1,591)	
of which: attributable to the owners of the Parent		**(4,128)**		(1,591)	
of which: attributable to minority interests		**-**		-	
BASIC LOSS PER SHARE		**(0.05)**		(0.02)	
DILUTED LOSS PER SHARE		**(0.05)**		(0.02)	

Pursuant to Consob Resolution no. 15519 of 27 July 2006, the effects of related party transactions on the statement of profit or loss of the Pininfarina Group are shown in the statement above and in Note 35.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(EUR'000)	2024	2023
LOSS FOR THE YEAR (A)	**(4,128)**	(1,591)
Actuarial gains/(losses) on defined-benefit plans	**53**	29
Change in fair value of investments in other entities carried at fair value	**(84)**	22
Revaluation of the Historical Collection	**4,820**	2,834
Tax effect	**(1,345)**	(791)
Post-tax other comprehensive income that will not be reclassified to profit or loss (B)	**3,444**	2,094
Gains/(losses) from translation of financial statements of foreign operations	**233**	(144)
Post-tax other comprehensive income (loss) that will be reclassified to profit or loss (C)	**233**	(144)
COMPREHENSIVE INCOME (EXPENSE) (A) + (B) + (C)	**(451)**	359
of which: attributable to the owners of the Parent	**(451)**	359
of which: attributable to minority interests	**-**	-
of which: from continuing operations	**(451)**	359
of which: from discontinued operations	**-**	-

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(EUR'000)	Share capital	Other reserves	Losses carried forward	Profit/ (Loss) for the year	EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT	Equity attributable to minority interests	TOTAL EQUITY
At 31 December 2022	**56,466**	**45,150**	**(60,896)**	**(5,001)**	**35,719**	**-**	**35,719**
Appropriation of prior year's consolidated profit/(loss)	-	-	(5,001)	5,001	-	-	-
Comprehensive income/ (expense) for the year	-	1,921	29	(1,591)	359	-	359
At 31 December 2023	**56,466**	**47,071**	**(65,867)**	**(1,591)**	**36,079**	**-**	**36,079**
Appropriation of prior year's consolidated profit/(loss)	-	-	(1,591)	1,591	-	-	-
Comprehensive income/ (expense) for the year	-	3,624	53	(4,128)	(451)	-	(451)
At 31 December 2024	**56,466**	**50,695**	**(67,405)**	**(4,128)**	**35,629**	**-**	**35,629**

CONSOLIDATED STATEMENT OF CASH FLOWS

(EUR'000)	31 Dec. 2024	of which: with related parties	31 Dec. 2023	of which: with related parties
A) CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the year	**(4,128)**		(1,591)	
Adjustments for:				
Income taxes	**(389)**		(24)	
Share of profit/(loss) of equity-accounted investees	**(11)**	(11)	(30)	(30)
Net financial expense	**967**		1,364	
Amortisation and depreciation	**4,105**		3,766	
Decreases in/(Additions to) provisions for risks and charges	**3,338**		488	
Impairment (reversals) write-downs of Trade and other receivables	**1,609**		1,026	
Impairment (reversals) losses of property, plant and equipment, intangible and right-of-use assets	**-**		102	
(Losses)/Gains on disposal of assets	**(191)**		(2,426)	
Other adjustments	**966**		675	
Cash generated from operating activities before changes in working capital	**6,265**		3,350	
(Increase)/Decrease in contract assets	**(505)**		2,096	
(Increase)/Decrease in Trade and other receivables	**8,256**	199	(10,795)	55
Increase/(Decrease) in trade payables	**17**	265	1,907	432
Increase/(Decrease) in contract liabilities	**(8,779)**	(49)	10,857	5
(Increase)/Decrease in other working capital items	**(460)**		331	
Cash generated from (used in) operating activities	**4,794**		7,746	
Interests received / (Interest paid)	**114**		(369)	
(Income taxes paid)	**(155)**		(139)	
(Utilisations of provisions for risks and charges and employee benefits)	**(177)**		(176)	
TOTAL CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)	**4,576**		7,063	
B) CASH FLOWS FROM INVESTING ACTIVITIESS				
(Additions to intangible assets)	**(360)**		(176)	
(Additions to property, plant and equipment)	**(2,402)**		(2,811)	
Sales of property, plant and equipment and intangible assets	**219**		6,391	
TOTAL CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)	**(2,543)**		3,404	
C) CASH FLOWS FROM FINANCING ACTIVITIES				
(Repayment of financial liabilities)	**(4,429)**		(5,778)	
New financial liabilities	**1,471**		843	
(Payment of lease liabilities)	**(1,337)**		(1,256)	
TOTAL CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	**(4,295)**		(6,191)	
EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS (D)	**204**		(98)	

CHANGE IN CASH AND CASH EQUIVALENTS (E = A+B+C+D)	**(2,058)**	4,178
Cash and cash equivalents at beginning of year (F)	**26,977**	22,799
CASH AND CASH EQUIVALENT AT END OF YEAR (E+F)	**24,919**	26,977

Pursuant to Consob Resolution No. 15519 of 27 July 2006, the effects of transactions with related parties of the Pininfarina Group relate to the ultimate Parent PF Holdings B.V., entities of the Mahindra Group and associates Goodmind S.r.l. and Signature S.r.l., and are disclosed in Note 35 to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 - GENERAL

The core business of the Pininfarina Group (the "Group") is based on comprehensive partnerships with carmakers. Operating as a global partner enables it to work with customers through the entire process of developing new products, including design, engineering, development, industrialisation and manufacturing, or to provide support separately during any one of these phases with the utmost flexibility.

Pininfarina S.p.A., the Group's Parent, is listed on the Italian Stock Exchange. Its registered office is in Turin, Via Raimondo Montecuccoli 9.

Market investors own 21.16% of its share capital, including an individual who holds 5.81%, with the remaining 78.84% held by the following shareholders:

- PF Holdings B.V. 78.82%
- treasury shares held by Pininfarina S.p.A. 0.02%.

At the reporting date, PF Holdings B.V. is controlled by Tech Mahindra Limited, which holds 60% of its capital, with the remaining 40% held by Mahindra & Mahindra Limited.

Tech Mahindra Limited, an Indian company listed on the National Stock Exchange of Mumbai (India), is a public company specialising in IT services and solutions. It is not controlled by any major shareholder. Mahindra & Mahindra Limited's interest therein was equal to 26% at the reporting date.

Mahindra & Mahindra Limited is a company incorporated under Indian law, with registered office in India, whose shares are listed on the Indian National Stock Exchange. It is specialised in the production of cars, commercial vehicles, buses and tractors.

Despite being directly controlled by PF Holdings B.V., which is part of the Mahindra Group, Pininfarina S.p.A. is not subject to direction and coordination as defined in article 2497 and following articles of the Italian Civil Code. PF Holdings B.V. is simply a vehicle incorporated under Dutch law without an operating structure. There is no authorisation or reporting procedure in place that Pininfarina S.p.A. should follow in the relationships with its Parent and, therefore, it has full autonomy to define its strategic and operating objectives, since it has (i) a structured organisation able to perform all business and corporate activities, (ii) its own distinct strategic and financial planning process and (iii) the ability to make proposals about how to conduct and develop its business.

A list of group companies, with their legal names and addresses, is provided further below.

The Group's consolidated financial statements are presented in euro, which is the functional and presentation currency of the Parent, where most of the activities and consolidated revenue are concentrated, and of its main subsidiaries.

Amounts are shown in thousands of euro, unless stated otherwise.

These consolidated financial statements were approved by the Board of Directors of Pininfarina S.p.A. on 28 April 2025. They were authorised for publication in accordance with law provisions.

2 – BASIS OF PREPARATION

2.1 Basis of presentation

The consolidated financial statements of Pininfarina Group at 31 December 2024 are prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/2005.

IFRS comprises International Financial Reporting Standards, International Accounting Standards ("IAS"), all interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), previously called the Standing Interpretation Committee ("SIC"), endorsed by the European Commission as of the date of the Board of Directors' meeting convened to approve the consolidated financial statements and set out in the relevant Regulations of the European Union published as of that date.

The consolidated financial statements are prepared in accordance with the general principle of historical cost, except for those items that under IFRS must be measured at fair value, listed in Note 2.3 “Material accounting policies”.

The accounting policies adopted to prepare these consolidated financial statements at 31 December 2024 are the same as those used in the preparation of the consolidated financial statements at 31 December 2023, having regard to what is reported in Note 2.4 “New IFRS standards, amendments and interpretations”.

In accordance with IAS 1 - Presentation of financial statements, the consolidated financial statements have the same basis of presentation as that of the Parent’s separate financial statements. They comprise the following:

- Consolidated statement of financial position, in which current and non-current assets and liabilities are classified separately.
- Consolidated statement of profit or loss and Consolidated statement of comprehensive income, presented as two separate statements in which costs are classified by nature.
- Consolidated statement of cash flows, presented in accordance with the indirect method, as allowed by IAS 7 – Statement of cash flows.
- Consolidated statement of changes in equity.
- Notes to the consolidated financial statements.

The above statements present the prior year’s (or corresponding period’s) figures as comparatives. Whenever during the year under consideration changes are made for a better presentation of the Group’s financial position, financial performance and cash flows, the comparative figures are reclassified accordingly to ensure comparability.

Moreover, as required by Consob Resolution No. 15519 of 28 July 2006, the Group presents the following information in separate schedules:

- The consolidated net financial position, with a breakdown of the main components and balances with related parties (Note 38).
- the effects of non-recurring events or transactions, i.e., those transactions or events that are not repeated frequently in the ordinary course of business (Note 38).

Related party transactions are presented separately in the consolidated statement of financial position and in the consolidated statement of profit or loss and are disclosed specifically in Note 35.

Going concern

The year 2024 was characterised by the Group’s positive performance, which resulted in a slight increase in revenue and gross operating profit compared with the previous year. The Group, however, again reports an operating loss and a net loss, whose values were lower than expected mainly due to provisions and non-cash write-downs, which, in particular, negatively impacted the results of the Parent, Pininfarina S.p.A..

With regard to the year 2025, the climate of uncertainty that affected the automotive industry in the second half of 2024 has involved a review of the product strategies of the world’s major carmakers resulting in the suspension or slowdown of programmes to the detriment of the entire automotive supply chain.

This circumstance can also be seen in the market in which the Group operates, where there is a slowdown in demand for certain services directly connected with the launch of new models.

In line with previous years and in light of the above, the Group remains focused on identifying the actions necessary to pursue the following objectives:

- creating the conditions for restoring the Group’s ability to generate consistent profits;
- safeguarding the level of capitalisation required by law and by agreements with credit institutions;
- maintaining adequate financial resources to meet the Group’s financing requirements.

Although a certain stability in business opportunities can be seen in some geographic areas, the actual figures for the 2024 financial year confirm the need to continue, also with the support of external advisors, initiatives aimed at improving profit margins and sales volumes and containing direct costs and overheads that are necessary to ensure the generation of financial resources and return to operating profit in a short timeframe.

In addition, the Group carefully monitors the Parent's equity due to the need to comply with the provisions of the Italian Civil Code on safeguarding share capital, as well as consolidated equity for the purpose of compliance with the only financial covenant in the current debt restructuring agreement with the lenders, which provides for a minimum consolidated equity value of EUR 30 million. Under the terms of the agreement, this is verified on 31 March of each year (at 31 March 2024 and, based on the pre-actual figures at 31 March 2025, the covenant was complied with).

With regard to liquidity, the Group's net financial position at 31 December 2024 was net assets of EUR 8.2 million, which includes cash and cash equivalents of EUR 24.9 million, non-current financial debt of EUR 12.1 million (stated at amortised cost) and bank overdrafts of EUR 1.5 million related to factoring contracts of the German subsidiary. It should be noted that cash and cash equivalents include a portion equal to EUR 1.2 million that is related to advances received against contracts in progress (recognised as contractual liabilities) and therefore is effectively committed to the fulfilment of contractual obligations to customers.

It should be noted that non-current financial debt relates to the last tranche of the loan that is the subject of the rescheduling agreement, equal to EUR 12.8 million. This debt, maturing at the end of 2025, is fully guaranteed by the Mahindra Group, which has issued an on demand guarantee in favour of the lenders in the event that Pininfarina S.p.A. is unable to meet its obligations.

The cash flow forecasts prepared by the directors for the next 12 months show that the financial resources available at the Parent and in the Group at 31 December 2024 would be sufficient to meet the foreseeable cash outflows for operating requirements, including the remaining cost for the closing of the liquidation process of Pininfarina Engineering, expected by the end of the financial year 2025, as well as the payment of loan instalments due in the short term.

In the event of financial difficulties arising from operating requirements as well as higher than expected outlays connected with litigation pending, the Parent would also be able to raise the necessary resources through financial advances against receivables related to the main production contract in place.

For the purposes of their assessments, the Directors also took into account the fact that, as previously stated, in March 2025 the controlling shareholder committed to providing financial support to the Parent for the 12 months following the date of approval of the financial statements. Consequently, should financing requirements arise that are not covered by the estimated future operating cash flows, also in relation to the possible negative outcomes of litigation in progress and the associated outlays, the Parent will be able to meet them by using the financial support granted by the controlling shareholder.

In light of the above, the Directors have therefore concluded that the significant uncertainties highlighted in previous reports no longer exist and have used the going concern assumption in preparing these consolidated financial statements.

2.2 Basis of consolidation

Scope of consolidation

(a) Subsidiaries

The consolidated financial statements include the financial statements of Pininfarina S.p.A. and those of its of its direct or indirect subsidiaries.

The Group controls an investee when it is exposed or has rights to variable returns from its involvement with the investee. The subsidiaries' financial statements are consolidated from the date the Group acquires control until control ceases.

Subsidiaries are consolidated on a line-by-line basis, whereby assets, liabilities, costs and revenues are recognised at their carrying amounts, regardless of the percentage held by the Group, and minority interests in the investees' equity and profit or loss for the year are presented separately.

Under this method, receivables and payables, and costs and revenue arising from transactions between consolidated entities are eliminated in full, as are gains and losses on transfers of assets between consolidated entities, gains and losses on intragroup sales of goods that are recognised under inventories by the purchaser, impairment losses and reversals of equity investments in consolidated entities, and intragroup dividends.

Changes in the Group's ownership interest in a subsidiary that do not result in the Group acquiring or losing control are recognised as changes in equity. The difference between the consideration paid and the acquired share of the subsidiary's equity is recognised as a balancing entry to equity attributable to the owners of the Parent as a gain or loss from the sale of the interest to minority shareholders.

The financial statements of subsidiaries are adjusted to bring the respective accounting policies in line with those applied by the Group.

At 31 December 2024 and 31 December 2023 the entities consolidated on a line-by-line basis were the following:

Legal name	Registered office	% held by the Group	through	Currency	Capital
Pininfarina of America Corp.	501 Brickell Key Drive, Suite 200, Miami FL 33131 US	100%	Pininfarina S.p.A.	USD	10,000
Pininfarina Engineering Srl in liquidation	Via Raimondo Montecuccoli 9, Torino, Italia	100%	Pininfarina S.p.A.	EUR	100,000
Pininfarina Deutschland GmbH	Frankfurter Ring 81, Monaco, Germania	100%	Pininfarina Engineering Srl in liquidation	EUR	3,100,000
Pininfarina Shanghai Co. Ltd	Unit 1, Building 3, Lane 56, Antuo Road, Anting, 201805, Jiading district, Shanghai, Cina	100%	Pininfarina S.p.A.	CNY	12,583,813

The reporting date of the subsidiaries is the same as that of the Parent, Pininfarina S.p.A..

On 26 October 2020 the owners of Pininfarina Engineering S.r.l. in general meeting resolve to wind it up.

(b) Associates

An associate is an entity over which the Group has significant influence, which is presumed to exist when it holds between 20% and 50% of its voting power. Investments in associates are initially recognised at cost and are subsequently measured using the equity method described below.

The carrying amount of these equity investments is equal to their equity that is adjusted, where necessary, to reflect the application of IFRS and includes the higher values allocated to assets and liabilities and any goodwill identified upon acquisition.

The Group's share of the associates' profit or loss is recognised from the date on which the Group commences to exercise significant influence up to when the significant influence ceases.

The Group's share of the unrealised profits or losses arising from transactions between the Parent or one of its subsidiaries and an equity-accounted investee is eliminated. Unrealised losses are eliminated except when they reflect an impairment loss.

At 31 December 2024 and 31 December 2023 the Group had the following associates:

Legal name	Registered office	% held by the Group	through	Currency	Capital
Goodmind S.r.l.	Corso Vittorio Emanuele II 12, Torino, Italia	20%	Pininfarina S.p.A.	EUR	20,000
Signature S.r.l.	Via Paolo Frisi 6, Ravenna, Italia	24%	Pininfarina S.p.A.	EUR	10,000

The reporting date of the associates is the same as that of the Parent, Pininfarina S.p.A..

(c) Other companies

Investments in other companies are recognised as financial assets at fair value; fair value gains or losses are recognised directly in equity and are not reclassified to profit or loss if the equity investment is sold or becomes impaired. Any dividends received from these investees are immediately recognised in profit or loss.

(d) Change in the scope of consolidation

There were no changes in the scope of consolidation in 2024 compared with 31 December 2023.

Translation of foreign currency items

(a) Presentation currency and translation of financial statements denominated in currencies other than the euro

The Group's presentation currency is the euro.

The table below lists the exchange rates used to translate financial statements denominated in functional currencies different from the presentation currency:

Currency	Average exchange rate			Closing exchange rate		
	2024	2023	Change	31/12/2024	31/12/2023	Change
US dollar – USD	1.08	1.08	0%	1.04	1.11	(6%)
Chinese Renminbi (yuan) – CNY	7.79	7.66	2%	7.58	7.85	(3%)

(b) Foreign currency assets, liabilities and transactions

Transactions carried out in currencies other than the euro are initially translated at the exchange rate in force on the date of the transaction.

At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated into euro at the closing rate. Any exchange gains and losses are recognised in profit or loss, except for those from foreign currency loans that hedge investments in foreign operations, if any, which are recognised directly in equity, net of the related tax effects. When the equity investment is sold, the accumulated translation differences are recognised in profit or loss.

Non-monetary items that are carried at historical cost are translated into euro at the exchange rate in force when the underlying transaction was initially recognised. Non-monetary items carried at fair value are translated into euro at the exchange rate in force on the measurement date.

None of the group companies operates in a hyperinflationary economy.

2.3 Material accounting policies

Property, plant and equipment

Property, plant and equipment and other items used in production are recognised at purchase or production cost less

accumulated depreciation and impairment losses, if any, except for land, which is not depreciated.

Cost includes all costs that can be directly attributed to the purchase, i.e., those incurred to bring the asset to the place and conditions necessary for its operation.

Depreciation of buildings and other generic assets is calculated on a straight-line basis, in order to allocate their residual carrying amounts over their estimated useful lives.

The depreciation rates applied to each asset category are set out below:

Category	**Useful life (years)**	
	Bairo facility	**Other facilities**
Land	Indefinite	Indefinite
Buildings	50	33
Machinery	20	5/10
Plant	20	10
Furniture and fixtures	10	8
IT equipment	-	5
Historical collection	-	Indefinite
Other	-	5

Land is recognised separately and is not depreciated but tested for impairment whenever the Group identifies indicators that the carrying amount exceeds the recoverable amount. Subsequent costs are capitalised only if it is probable that they will generate future economic benefits and their amount can be determined reliably. Gains and losses on disposal, calculated as the difference between the asset's carrying amount and sales price, are recognised in profit or loss. In these notes, an impairment loss is the amount recognised to adjust an asset's carrying amount to its recoverable amount.

Property, plant and equipment also includes the cars of the Pininfarina Historical Collection, measured in accordance with the revaluation model under IAS 16 which provides for the carrying amount of an asset to be adjusted to its fair value at the reporting date and for fair value to be remeasured at regular intervals to ensure there is never a material difference between the asset's reporting-date fair value and its carrying amount at the same date.

In consideration of their nature and of the impossibility of determining an accurate useful life, assets belonging to the Historical Collection are not depreciated.

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 it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lessee accounting model

In accordance with IFRS 16, as a lessee, the Group recognises a right-of-use asset at the commencement date (the date on which the underlying asset becomes available for use). The right-of-use asset is measured at cost, less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. The cost of a right-of-use asset includes the lease liability, the initial direct costs incurred and any 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 from the lease commencement date over their useful life or until the end of the lease term, if earlier. If ownership of the underlying asset is transferred to the Group at the end of the lease term or the cost of the right-of-use asset reflect the fact that it is expected that the Group will exercise a purchase option, a right-of-use asset is depreciated from the commencement date to the end of the useful life of the underlying asset.

In accordance with IFRS 16, as a lessee, the Group recognises its lease liabilities separately under financial liabilities at the present value of the lease payments that are not paid at the commencement date. 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 payable under residual value guarantees. They also include the exercise price of a purchase option if the Group is reasonably certain to exercise that option.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. It recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lessor accounting model

As a lessor, at inception of each lease, the Group determines whether the lease is a finance lease or an operating lease. If the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset, it is classified as a finance lease; if not, it is classified as an operating lease. As part of this assessment, the Group considers certain indicators provided by IFRS 16. If a contract contains a lease component and one or more non-lease components, the Group applies IFRS 15 to allocate the contract consideration. The Group recognises lease payments from operating leases as income on a straight-line basis over the lease term under Other income.

Intangible assets

The Group recognises an intangible asset only if it is an identifiable and controllable asset which is expected to generate future economic benefits and its cost can be measured reliably.

Intangible assets with finite lives are measured at acquisition, production or appraised cost, less any accumulated amortisation and impairment losses. They are amortised over their estimated useful lives and amortisation commences when an asset is available for use. The useful life is reassessed annually and any changes thereto are made prospectively.

Software and other similar licences are recognised as assets at cost, including the costs incurred to make them ready for use. They are amortised over their estimated useful lives, which range between three and five years. Costs incurred to maintain software programs are immediately recognised in profit or loss. Those incurred to develop identifiable software that is controlled by the Group, which is very likely to produce future economic benefits exceeding the costs incurred, if any, are recognised as intangible assets and amortised over their useful life, which does not exceed three years.

Impairment of non-financial assets

Indefinite-lived intangible assets, including goodwill, are tested for impairment at least annually and whenever there are indicators of impairment. Property, plant and equipment and intangible assets with a finite useful life are tested for impairment only if indicators are identified that their carrying amount may exceed their recoverable amount. The recoverable amount is the higher of an asset's (or cash-generating unit's) fair value less costs to sell and its value in use, which is calculated as the present value of the future cash flows expected to be derived from the asset, to be based on reasonable and supportable assumptions that represent management's best estimate of future economic conditions. The discount rate used reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. This rate for the Group is the weighted average cost of capital ("WACC").

When the carrying amount of an asset exceeds its recoverable amount, the Group recognises the difference as an impairment loss in profit or loss. If the reasons for the impairment loss cease to exist in future years, the impairment loss is reversed up to the asset's carrying amount before the impairment loss was recognised, less amortisation/depreciation. Impairment losses on goodwill can never be reversed. Cash-generating units are identified in line with the Group's organisational structure and business, by grouping those assets that are able to generate independent cash inflows, as required by IAS 36 - Impairment of assets; they are not larger than the two operating segments identified under IFRS 8 - Operating segments: 1) Design; 2) Engineering (see Note 4). For impairment testing purposes, when assessing the recoverability of the carrying amount of owned real estate complexes the Group makes reference to fair value, measured using market values available from the Land Registry, and possibly appraisals prepared by independent experts.

Inventories

Inventories are recognised at the lower of cost and net realisable value, which is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Under IAS 2 - Inventories, cost is calculated using the FIFO ("first-in first-out") method. The cost of finished goods and semi-finished products includes design/engineering, raw materials and direct labour costs, other direct costs and other indirect costs that can be directly allocated to the production activity based on normal production capacity. This cost configuration does not include borrowing costs. Based on the assets' expected future use and net realisable value, materials, finished goods, spare parts and other obsolete or slow-moving items are written down through an allowance for obsolescence. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated sales and distribution costs.

Financial assets and liabilities

The Group initially measures financial assets at fair value plus, in the case of financial assets not measured at fair value through profit or loss, transaction costs.

IFRS 9 classifies financial assets into three main categories: at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVTPL).

The classification is based on either the business model adopted by the Group to manage the asset or the SPPI (solely payments of principal and interest) test, if the financial instruments' contractual cash flows solely comprise payments of principal and interest.

On initial recognition, a financial asset is classified as measured at amortised cost, FVOCI or FVTPL.

Trade receivables and payables

Trade and other receivables are measured at amortised cost, using the effective interest method, less any impairment losses, except for assets held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (hold to collect and sell model).

Those receivables are measured at fair value through other comprehensive income. Impairment losses are recognised using the simplified approach provided for by IFRS 9, by calculating the assets' lifetime expected credit losses.

Trade payables and other financial liabilities are initially recognised at fair value, less directly attributable transaction costs. They are subsequently measured at amortised cost, using the effective interest method. Foreign currency items are translated into euro at the closing date and any resulting exchange gains or losses are recognised in profit or loss.

Financial liabilities: classification, subsequent measurement, 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, it is a derivative 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 subsequently measured at amortised cost using the effective interest method. Interest expense and exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, on-demand bank deposits and other investments that may be sold within three months.

Employee benefits

(a) Pension plans

Pininfarina Group employees participate in defined contribution plans and defined benefit plans. The latter are a portion of the Italian post-employment benefits provided for by article 2120 of the Italian Civil Code ("Trattamento di fine rapporto") and, therefore, do not comprise any plan assets. Defined contribution plans are formalised plans for

post-employment benefits that require that the Group pay contributions to an insurance company or a pension fund. By doing this, the Group does not have any other legal or constructive obligation to pay additional contributions should the fund not have sufficient resources to pay all benefits earned by employees over their current and past service periods when the benefits become due. These contributions paid in exchange for the service rendered by employees are recognised as an expense on an accrual basis. This category includes the payments made to the Cometa and Previp funds.

The Group calculates the present value of plan liabilities and the service cost of defined benefit plans using the projected unit credit method, based on an actuarial calculation that uses demographic (mortality rate and turnover) and financial (discount rate and future salary and benefit increases) variables. The post-employment benefits of the Group's Italian employees are classified as follows in accordance with IAS 19 - Employee benefits:

- a defined benefit plan for the portion vested prior to enactment of the 2007 Finance Act (Law No. 296 of 27 December 2006);

- a defined contribution plan for the portion vesting thereafter.

At the annual and half year reporting dates, the Group calculates the benefits using an actuarial valuation. The accumulated actuarial losses and gains arising from changes in estimates are recognised in a specific caption of other comprehensive income. Any curtailment or extinguishment of a plan liability is immediately recognised in profit or loss.

(b) Incentives, bonuses and profit-participation plans

The Group recognises a cost and a liability for its obligations for incentives, bonuses and profit-participation plans. The liability is recognised when the Group has a legal or constructive obligation, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

In 2023, the Group implemented a long-term monetary incentive plan (LTI Plan) for the period from 1 January 2023 to 31 December 2027.

The LTI Plan provides for a monetary bonus, whose amount may vary depending on the level of achievement of the plan objectives and whose vesting periods end on 31 December 2025 (2025 payout) and 31 December 2027 (2027 payout).

Given its nature, under IAS 19, the LTI Plan is a long-term benefit plan and is, therefore, measured using actuarial techniques.

(c) Termination benefits

The Group recognises a liability and personnel expense when it is demonstrably committed to terminating the employment of an employee or group of employees before the normal retirement date or to providing termination benefits as a result of an offer made in order to encourage voluntary redundancy. The Group is demonstrably committed to a termination when, and only when, it has a detailed formal plan for the termination and has no realistic possibility of withdrawal.

Provisions for risks and charges, contingent liabilities

Provisions for risks and charges include specific costs and losses whose existence is certain or probable but whose amount or due date is unknown at the reporting date. Provisions are recognised when all the following conditions are met: (i) the Group has a present (legal or constructive) obligation as a result of a past event; (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; (iii) a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation or transfer it to third parties at the reporting date. The Group recognises expected restructuring costs in the period when a restructuring plan is formalised only if it has raised a valid expectation in those affected that it will carry out the restructuring. Liabilities included in provisions for risks and charges are periodically adjusted for changes in estimated costs, expected timing and discount rates. Changes in estimates of provisions are recognised in the same caption of the statement of profit or loss as the related addition.

Information about contingent liabilities, i.e.: (i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; (ii) a present obligation that arises from past events, whose amount cannot be measured reliably or whose settlement will probably not require an outflow of resources embodying economic benefits, is disclosed in the notes to the consolidated financial statements.

Revenue from sales and services

Revenue is measured based on the consideration specified in a contract with a customer.

The Group recognises revenue when it transfers control over a good or service to a customer.

In its contracts with customers, the Group has identified the following performance obligations:

(a) Design, engineering and operations services and (b) Architecture and design services

In design services, products/services are tailored to a customer's specifications and if a contract is terminated by the customer, then the Group is entitled to reimbursement of the costs incurred up to the termination date, plus a reasonable margin.

Invoices are issued according to contractual terms and are usually payable within 30 days. Unbilled amounts are recognised as contract assets.

Revenue and associated costs are recognised over time - i.e., before the goods/services are made available to the customer. Progress is determined based on the cost-to-cost method.

(b) Royalties

Royalties are substantially related to the licence to use the Pininfarina trademark on design products manufactured by the Group. Even though customers do not control the trademark, they benefit therefrom. This shared benefit has led the Group to conclude that this is a "right to access" rather than a "right to use" the trademark and, therefore, the related revenue is recognised over time.

(c) Lease income

Lease income arises from services whereby the customer simultaneously receives and uses the related benefits as the Group provides them. Accordingly, the related revenue is recognised over time.

(d) Other minor performance obligations

The Group determines whether it is more appropriate to recognise revenue from other minor performance obligations over time or at a point in time on a case-by-case basis.

Incremental costs of obtaining a contract

The Group recognises the incremental costs of obtaining a contract with a customer as an asset if it expects to recover those costs.

The incremental costs of obtaining a contract are those costs that an entity incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained (for example, a sales commission).

As a practical expedient, the Group recognises the incremental costs of obtaining a contract as an expense when incurred if the amortisation period of the asset that the entity otherwise would have recognised is one year or less.

An asset recognised for incremental costs of obtaining a contract is amortised systematically on a basis consistent with the transfer to the customer of the goods or services to which the asset relates.

Contract assets and liabilities

The Group presents a contract in the consolidated statement of financial position as a contract asset or a contract liability, depending on the relationship between the Group's performance and the customer's payment. It presents any unconditional rights to consideration separately as a receivable.

If the Group performs an obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, it presents the contract as a contract asset, excluding any amounts presented as a receivable. A contract asset is the Group's right to consideration in exchange for goods or services that it has transferred to a customer. The Group tests a contract asset for impairment in accordance with IFRS 9.

If a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional (i.e., a receivable), before the Group transfers a good or service to the customer, the Group presents the contract as a contract liability when the payment is made or the payment is due (whichever is earlier). A contract liability is the Group's obligation to transfer goods or services to a customer for which it has received consideration (or an amount of consideration is due) from the customer.

Current taxes

Current taxes are recognised by each group company on the basis of its estimated taxable profit using the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date, taking into account any domestic tax consolidation arrangements, applicable exemptions and any tax assets.

Earnings or losses per share

Basic earnings or losses per share are calculated by dividing the profit or loss for the year attributable to the owners of the Parent's ordinary shares by the weighted average number of ordinary shares outstanding during the year. Diluted earnings or losses per share are derived by adjusting the weighted average number of outstanding shares for all potential ordinary shares with a dilutive effect.

2.4 New IFRS standards, amendments and interpretations

IFRS standards, amendments and interpretations applicable for reporting periods beginning on or after 1 January 2024

On 23 January 2020 and 31 October 2022, respectively, the IASB published "Classification of liabilities as current or non-current (Amendments to IAS 1)" and "Non-current liabilities with covenants (Amendments to IAS 1)". The amendments clarify how an entity classifies financial and other liabilities as current or non-current. They also improve the disclosures that an entity must provide when its right to defer settlement of a liability for at least 12 months is subject to meeting certain parameters (covenants). The adoption of the amendments had no significant effect on the Group's consolidated financial statements.

On 22 September 2022 the IASB published "Lease liability in a sale and leaseback (Amendments to IFRS 16)" which require a seller-lessee to subsequently measure lease liabilities arising from a leaseback in such a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The adoption of the amendment had no significant effect on the Group's consolidated financial statements.

On 25 May 2023 the IASB published "Disclosures: Supplier Finance Arrangements (Amendments to IAS 7 – Statement of Cash Flows and IFRS 7 – Financial Instruments)". The document requires an entity to provide additional information about its reverse factoring arrangements that would enable users to assess the effects of supplier financing arrangements on the entity's liabilities and cash flows, and to understand their impact on the entity's exposure to liquidity risk. The adoption of the amendment had no significant effect on the Group's consolidated financial statements.

IFRS standards, amendments and interpretations endorsed by the European Union but not yet mandatorily applicable and not adopted early by the Group at 31 December 2024

On 15 August 2023 the IASB published "Lack of Exchangeability (Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates)". The document requires an entity to apply a method consistent methodology to determine whether a currency is exchangeable into another and, when this is not possible, how to determine the exchange rate to be used and the related disclosures. The amendment will become effective for annual reporting periods beginning

on or after 1 January 2025, but earlier application is permitted. The directors do not expect that the adoption of the amendment will have a significant effect on the Group's consolidated financial statements.

IFRS standards, amendments and interpretations not yet endorsed by the European Union

On 9 April 2024 the IASB published "IFRS 18 – Presentation and Disclosure in Financial Statements", which will replace IAS 1 – Presentation of Financial Statements. The new standard aims to improve the presentation of the primary financial statements and introduces significant changes with reference to the statement of profit or loss. In detail, the new standard requires:

- revenue and costs to be classified into three new categories (the operating, investing and financing categories), in addition to the income taxes and discontinued operations categories already present in the statement of profit or loss; and

- two new sub-totals to be presented: operating profit or loss and profit or loss before financing and income taxes (i.e. EBIT).

The new standard also:

- requires additional information about the performance indicators defined by management;

- introduces new criteria for aggregating and disaggregating information; and

- introduces certain changes to the statement of cash flows, including a requirement to use operating profit or loss as the starting point for the presentation of the statement of cash flows prepared using the indirect method, and the elimination of certain classification options of currently existing items (such as, for instance, interest paid, interest received, dividends paid and dividends received).

The new standard will become effective for annual reporting periods beginning on or after 1 January 2027, but earlier application is permitted. The directors are currently assessing the possible effects of the introduction of the new standard on the Group's consolidated financial statements.

On 30 May 2024 the IASB published "Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7″. The document clarifies certain issues emerging from the post-implementation review of IFRS 9, including the accounting treatment of financial assets with environmental, social and corporate governance (ESG) and similar features (i.e. green bonds). In detail, the purpose of the amendments is to:

- clarify the classification of financial assets with variable returns linked to ESG targets and the criteria to be used for assessing the SPPI test;

- determine that the date when cash is delivered via an electronic transfer system is the settlement date of a liability. However, an entity may opt to derecognise a financial liability before cash is delivered at the settlement date when specific circumstances apply.

In addition, by these amendments the IASB introduced further disclosure requirements concerning specifically investments in equity instruments designated at FVOCI.

These amendments will become effective for annual reporting periods beginning on or after 1 January 2026. The directors do not expect that the adoption of the amendment will have a significant effect on the Group's consolidated financial statements.

On 18 July 2024 the IASB published "Annual Improvements Volume 11". The document includes clarifications, simplifications, corrections and modifications designed to improve the consistency of various IFRS Accounting Standards. The modified standards are:

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

- IFRS 7 – Financial Instruments: Disclosures, and related guidelines on the implementation of IFRS 7;

- IFRS 9 – Financial Instruments;

- IFRS 10 – Consolidated Financial Statements; and
- IAS 7 – Statement of Cash Flows.

These amendments will become effective for annual reporting periods beginning on or after 1 January 2026, but earlier application is permitted. The directors are currently assessing the possible effects of the introduction of the new standard on the Group's consolidated financial statements.

On 18 December 2024 the IASB published "Contracts Referencing Nature-dependent Electricity – Amendment to IFRS 9 and IFRS 7". The purpose of the document is to support entities in reporting the financial effects of contract to purchase electricity generated from renewable sources (frequently structured as Power Purchase Agreements). Under such contracts, the quantity of electricity generated and purchased may vary depending on uncontrollable natural conditions such as the weather. The IASB made narrow-scope amendments to IFRS 9 e IFRS 7, which include:

- clarifying the application of the 'own-use' requirements to this type of contract;
- permitting hedge accounting if these contracts are used as hedging instruments; and
- new disclosure requirements to enable users of financial statements to understand the effect of these contracts on a company's financial performance and cash flows.

The amendment will become effective for annual reporting periods beginning on or after 1 January 2026, but earlier application is permitted. The directors do not expect that the adoption of the amendment will have a significant effect on the Group's consolidated financial statements.

3 - USE OF ESTIMATES AND SIGNIFICANT JUDGEMENTS

Recoverable amount of property, plant and equipment and intangible assets

The Group regularly reviews the carrying amounts of items of property, plant and equipment and intangible assets that it owns and uses and any assets held for sale whenever there is a trigger event.

Testing non-current assets for impairment is usually performed by estimating the cash flows expected from the use or the sale of the assets, which are discounted to present value using appropriate rates.

The estimates and assumptions used in those tests are based on the Group's current understanding of the development of the business of the various sectors in which it operates and on reasonable expectations of future market developments, which are subject to an inherent degree of uncertainty, including as a result of the persisting financial crisis and its effects on the international macroeconomic scenario. Even though the Group does not currently estimate that its non-current assets have incurred impairment losses other than those recognised in the consolidated financial statements, possible different developments of the economic conditions or different performances by group companies may result in amounts that are different from those originally estimated and in the recognition of impairment losses on certain non-current assets.

Reference should be made to Note 4 for disclosures on the identified Cash Generating Units (CGUs) and to Note 5 for information on estimated recoverable amounts and related impairment tests.

The Group measured the fair values of cars in its Historical Collection on the basis of appraisals prepared by qualified and independent companies. The experts determined the cars' fair values using the sales comparison approach, which could be used as information on a sufficient number of transactions to arrive at a reliable estimate of fair value is available. The Group reviews fair value periodically or when special events occur and, if necessary, adjusts the carrying amount.

Deferred tax assets and liabilities

Deferred tax assets and liabilities are measured on the basis of the Group's expectations for how the carrying amount of its assets will be recovered, considering, in particular, the probability that it will earn future taxable profits. Deferred tax assets and liabilities are measured on the basis of tax rates that are expected to be applicable when the assets will be realised or the liabilities will be extinguished, therefore based on tax rates or changes to tax laws that have been enacted by the reporting date.

In accordance with IAS 12, following the revaluation of its Historical Collection, the Parent recognised the related deferred taxes. Specifically, any revaluation surplus increasing the carrying amount of those assets, being a taxable temporary difference, gave rise to deferred tax liabilities. On the other hand, when the carrying amount decreased, this being a deductible temporary difference, the Company assessed whether it should recognise the related deferred tax assets.

Contract assets and liabilities

Given the business sectors in which it operates, the Group recognises contract costs and revenue using the percentage of completion method. Contract profits and losses are recognised in profit or loss on the basis of both the percentage of completion of the contract and the profits or losses expected over the entire life of the contract until its completion. Accordingly, in order to accurately recognise contract work in progress and profits or losses on works or services not yet completed, management is required to estimate the costs to complete contracts, contract variations, delays, extra costs and fines that may affect expected profits. In order to support these management estimates, the Group uses contract risk management and analysis methods to identify, monitor and quantify risks related to the performance of such contracts. The amounts recognised in the consolidated financial statements are management's current best estimates made using the above-mentioned methods.

Recoverability of trade receivables

The loss allowance covers the estimated credit losses on the Group's trade receivables. The Group estimates the credit losses on the basis of historical trends for trade receivables with a similar credit risk, current and historical past due amounts, write-offs and collections, as well as careful monitoring of the quality of its receivables portfolio and current and expected conditions of the economy and relevant markets. The loss allowance is proportionate to the size of both the specific risks of individual positions and a generic default risk of all trade receivables, prudently estimated by considering past losses and the perceived credit standing of customers in general.

With specific reference to positions with counterparties that are or have recently been affected by geopolitical or financial tensions, the carrying amounts are the best estimate at the reporting date made by management with the support of its legal experts, taking into account the solvency of said debtors.

Additions to provisions for risks and charges, contingent liabilities and contingent assets

Provisions for risks and charges are liabilities whose due date and amount are uncertain. They are measured on the basis of management's estimate of the costs to be incurred to extinguish the obligation at the reporting date.

Contingent liabilities and assets are not recognised in the consolidated financial statements in accordance with paragraphs 27 and 31, respectively, of IAS 37 – Provisions, contingent liabilities and contingent assets.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is an unrecognised possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Where necessary, the directors make their estimates also with the assistance of their legal advisors and experts.

Italian post-employment benefits ("Fondo Trattamento di Fine Rapporto")

Following the supplementary pension reform, the portion of Italian post-employment benefits vested before 1 January 2007 is considered to be a defined benefit plan in accordance with IAS 19 - Employee benefits. Under defined benefit plans, the amount of the benefit due to the employee upon termination of employment depends on different factors, such as age, seniority and remuneration. Despite being prudently estimated and based on internal historical figures, these estimated parameters may be subject to change.

The directors estimated the post-employment benefit obligation with the support of an independent expert included in the Italian Register of Actuaries.

4 – SEGMENT REPORTING

Identification of reportable segments

Operating segments are identified on the basis of the elements that the Group's chief operating decision maker uses to make decisions about resources to be allocated to the segments and assess their performance.

Based on the above, the Group has identified two operating segments, the design and the engineering segments.

Design segment

In addition to the revenue from the automotive and non-automotive design activities of all kinds, this segment includes revenue from architecture services, royalties for the use of the Pininfarina trademark, revenue from aerodynamic and aeroacoustics services and the costs arising from the property management of the Parent, Pininfarina S.p.A..

The CGUs/operations included in the Design segment are:

- "Other design-related activities", which includes all other activities related to design currently performed by Pininfarina S.p.A.. Goodwill was allocated to this CGU;
- Activities connected with the subsidiary Pininfarina Shanghai Co Ltd;
- Activities connected with the subsidiary Pininfarina of America Corp.;
- Activities referred to the wind tunnel;
- Property and activities related to the Bairo Canavese site, currently used for logistics purposes.

Engineering segment

This segment groups the automotive engineering services and comprises the Engineering Germany CGU, which is made up of the German subsidiary Pininfarina Deutschland GmbH.

The Group's business segments are not affected by seasonal factor.

The Group assesses the performance of its operating segments and allocates financial resources thereto on the basis of their revenue and operating profit or loss.

Segment reporting for 2024, with 2023 comparatives, is set out below:

	31 December 2024		
(EUR'000)	**Design**	**Engineering**	**Total**
Revenue from sales and services	79,245	14,617	93,862
(Intra-segment revenue from sales and services)	(2,662)	(55)	(2,717)
Revenue from sales and services to third parties	**76,584**	**14,561**	**91,145**
Other income	261	446	707
Total revenue	**76,845**	**15,007**	**91,852**
Amortisation and depreciation	(3,406)	(699)	(4,105)
Decreases in/(Additions to) provisions	(3,338)	-	(3,338)
Net impairment reversals (write-downs) of Trade and other receivables	(1,608)	-	(1,608)
Impairment reversals (losses) of property, plant and equipment, intangible assets and right-of-use assets	-	-	-
Operating profit (loss)	**(2,225)**	**(1,336)**	**(3,561)**
Net financial expense			(967)
Share of profit of equity-accounted investees			11
Income taxes			389
Profit/(Loss) for the year			**(4,128)**

	31 December 2023		
(EUR'000)	**Design**	**Engineering**	**Total**
Revenue from sales and services	75,065	14,800	89,865
(Intra-segment revenue from sales and services)	(2,484)	(222)	(2,706)
Revenue from sales and services to third parties	**72,581**	**14,578**	**87,159**
Other income	2,918	339	3,257
Total revenue	**75,499**	**14,917**	**90,416**
Amortisation and depreciation	(3,011)	(756)	(3,766)
Decreases in/(Additions to) provisions	(488)	-	(488)
Net impairment reversals (write-downs) of Trade and other receivables	(964)	(62)	(1,026)
Impairment reversals (losses) of property, plant and equipment, intangible assets and right-of-use assets	(102)	-	(102)
Operating profit (loss)	**1,290**	**(1,571)**	**(281)**
Net financial expense			(1,364)
Share of profit of equity-accounted investees			30
Income taxes			24
Profit/(Loss) for the year			**(1,591)**

Intra-segment sales are made at arm's length.

A breakdown of revenue and non-current assets (excluding financial assets and deferred tax assets) by geographical segment is as follows:

	31 December 2024		31 December 2023	
(EUR'000)	**Revenue from sales and services**	**Non-current assets**	**Revenue from sales and services**	**Non-current assets**
Italy	4,651	37,902	4,770	32,987
EU	48,242	1,187	37,057	1,295
Non-EU	38,251	1,929	45,332	1,844
Total	**91,145**	**41,018**	87,159	36,126

5 – PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment changed as follows in the past two years:

(EUR'000)	Land	Buildings	Machinery	Plant	Furniture and fixtures	IT equipment	Historical collection	Other assets	Assets under construction	Total
Historical cost	12,002	65,017	6,071	68,609	3,993	6,522	-	1,181	350	163,745
Accumulated depreciation and impairment losses	(6,636)	(44,584)	(4,946)	(65,142)	(3,487)	(5,651)	-	(810)	-	(131,256)
Carrying amount at 31 December 2022	**5,366**	**20,433**	**1,125**	**3,467**	**506**	**871**	**-**	**371**	**350**	**32,489**
Changes in 2023										
Additions	-	383	118	1,461	156	327	-	129	237	2,811
Net sales	(1,010)	(2,918)	-	-	-	-	-	(37)	-	(3,965)
Reclassifications	-	-	-	249	-	(1)	-	14	(350)	(88)
Depreciation	-	(939)	(228)	(692)	(129)	(384)	-	(24)	-	(2,396)
Impairment reversals/(impairment losses)/ Revaluations	-	-	-	-	-	-	2,749	(17)	-	2,732
Other changes	-	(1)	-	-	2	10	-	3	-	14
Closing carrying amount	**4,356**	**16,958**	**1,015**	**4,485**	**535**	**823**	**2,749**	**439**	**237**	**31,597**
Historical cost	10,992	48,525	5,986	70,306	4,058	6,848	2,749	1,119	237	150,803
Accumulated depreciation and impairment losses	(6,636)	(31,567)	(4,971)	(65,821)	(3,523)	(6,025)	-	(680)	-	(119,206)
Carrying amount at 31 December 2023	**4,356**	**16,958**	**1,015**	**4,485**	**535**	**823**	**2,749**	**439**	**237**	**31,597**
Changes in 2024										
Additions	-	369	37	1,310	61	275	-	262	129	2,443
Net sales	-	-	-	-	-	(17)	-	(11)	-	(28)
Reclassifications	-	48	-	69	38	41	-	-	(237)	(41)
Depreciation	-	(951)	(238)	(876)	(146)	(332)	-	(48)	-	(2,591)
Impairment reversals/(impairment losses)/ Revaluations	-	-	-	-	-	-	4,820	-	-	4,820
Other changes	-	-	-	(1)	(7)	-	-	(2)	-	(10)
Closing carrying amount	**4,356**	**16,424**	**814**	**4,987**	**481**	**790**	**7,569**	**640**	**129**	**36,190**
Historical cost	10,992	47,910	5,549	71,580	4,153	7,147	7,569	1,370	129	156,399
Accumulated depreciation and impairment losses	(6,636)	(31,486)	(4,735)	(66,593)	(3,672)	(6,357)	-	(730)	-	(120,209)
Carrying amount at 31 December 2024	**4,356**	**16,424**	**814**	**4,987**	**481**	**790**	**7,569**	**640**	**129**	**36,190**

The carrying amount of property, plant and equipment at 31 December 2024 was equal to EUR 36.2 million, an increase on 31 December 2023 (EUR 31.6 million) mainly due to the fair value adjustment to the historical collection (EUR 4.8 million) partially counterbalanced by depreciation charges for the period (EUR 2.6 million) which exceeded additions (EUR 2.4 million, after disinvestment and reclassifications).

Land and buildings totalling EUR 21.0 million at 31 December 2024 comprises the carrying amount of real estate complexes, i.e. the production facilities located in Bairo Canavese (TO), via Castellamonte 6, and the design and engineering site in Cambiano (TO), via Nazionale 30.

The Bairo Canavese production facility, with a carrying amount of EUR 10.5 million, including land and building of EUR 9.9 million and plant and other assets of EUR 0.6 million, is currently used for logistics purposes. The Group compared its carrying amount to its fair value calculated considering the facility's December 2024 appraised value, which was found to be slightly higher than its book value.

In May 2024 the Parent completed the sale, for EUR 0.2 million, of an idle and unused property located in Beinasco (TO) that had already been fully written down.

All land and buildings located in Italy are owned by Pininfarina S.p.A..

Property, plant and equipment also includes Plant and machinery for a total of EUR 5.8 million at 31 December 2024, comprising the plant and machinery at the Cambiano site, plant at the wind tunnel and electricity and heating systems at the Bairo Canavese site.

Additions for the year mainly relate to the Parent, specifically, plant located at the Cambiano site and the wind tunnel, and to the US subsidiary, specifically leasehold improvements.

Property, plant and equipment also includes the Historical Collection, equal to EUR 7,569 thousand. In 2024, appraisals by additional external professionals identified a series of new factors justifying the increase in value of one specific vehicle. In detail, it was found that this car is a unique example, highly coveted by collectors due to its rarity, exclusive design and its connection to the famous Pininfarina brand, as well as to the world of Formula 1. These aspects resulted in an adjustment to fair value of the carrying amount of this car, with an increase of EUR 4,750 thousand.

The "Other design activities" CGU, which comprises the Parent's net invested capital excluding the assets relating to Bairo Canavese, the wind tunnel and equity investments, was tested for impairment in 2019 and 2020 and impairment losses were recognised that were reversed in 2021. Like in 2022 and 2023, the CGU's financial performance for 2024 was better than budgeted. Accordingly, since they did not identify any indicators of impairment, the directors did not test the CGU for impairment. It should be noted that the CGU's main assets are the Cambiano land and buildings and a recent appraisal dated December 2024 confirmed that the recoverable amount of these assets is higher than the carrying amount of the entire CGU.

The CGU related to the Chinese investee ("Other activities connected with Pininfarina Shanghai") was tested for impairment in 2023, because actual performance was not in line with the budget. Following the impairment test, no impairment loss was recognised against the "Other activities connected with Pininfarina Shanghai" CGU as the recoverable amount was found to be higher than the carrying amount. With reference to 2024, since actual results were in line with the budget, the CGU was not non tested for impairment.

In consideration of their negative financial performance for 2024, the "Engineering Germany" and "Wind Tunnel" CGUs were tested for impairment without identifying any impairment losses of their consolidated net assets, also considering their modest contribution to the consolidated figures (around EUR 1.2 million and EUR 1.6 million, respectively).

The value in use of the CGUs in question was determined using the unlevered discounted cash flow method by determining the post-tax cash flow based on the 2025 budget and the 2026-2027 business plan approved by the Board of Directors on 13 November 2024, discounted using a WACC rate of 9.73% (Engineering Germany) and 7.77% (Wind tunnel). The growth rate used to calculate the terminal value was equal to 2.0%, for the Engineering Germany CGU and 1.0% for the Wind tunnel CGU.

Cash flows were forecast by the directors based on reasonable and supportable assumptions that represent their best estimate of future economic conditions. The discount rate used reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

6 - RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Right-of-use assets

Right-of-use assets amounted to EUR 3.4 million at 31 December 2024 (EUR 3.2 million at 31 December 2023).

This caption, required by IFRS 16, presents the right to use underlying assets in accordance with the leases signed by group companies, mainly buildings housing their offices.

Lease liabilities

This caption, totalling EUR 3.7 million at 31 December 2024 (EUR 3.4 million at 31 December 2023), is broken down by maturity as follows:

(EUR'000)	Carrying amount at 31 Dec. 2024	Contractual cash flows	of which: due within one year	of which: due from one to five years	of which: due after five years
Lease liabilities	3,667	4,229	1,852	2,049	328

In 2024 the Group's lease payments totalled EUR 1,337 thousand.

Amounts recognised in profit or loss

(EUR'000)	2024	2023
Depreciation of right-of-use assets	(1,209)	(1,065)
Interest expense on lease liabilities	(247)	(166)
Lease expenses for short-term leases or leases of low-value assets	(98)	(262)
Total	**(1,554)**	(1,494)

7 - INTANGIBLE ASSETS

Intangible assets amounted to EUR 0.7 million at 31 December 2024 (a slight increase on 31 December 2023), after additions (and reclassifications) for EUR 0.4 million and amortisation for EUR 0.3 million.

(EUR'000)	Licences	Other intangible assets	Total
Historical cost	7,993	2,773	10,766
Accumulated amortisation and impairment losses	(7,401)	(2,700)	(10,101)
Carrying amount at 31 December 2022	**592**	**73**	**665**
Changes in 2023			
Additions	176	-	176
Net sales	-	-	-
Reclassifications	88	-	88
Amortisation	(255)	(49)	(304)
Impairment reversals/(impairment losses)	-	-	-
Other changes	-	-	-
Closing carrying amount	**601**	**24**	**625**
Historical cost	8,257	2,773	11,030
Accumulated amortisation and impairment losses	(7,656)	(2,749)	(10,405)
Carrying amount at 31 December 2023	**601**	**24**	**625**
Changes in 2024			
Additions	319	-	319
Net sales	-	-	-
Reclassifications	41	-	41

(EUR'000)	Licences	Other intangible assets	Total
Amortisation	(249)	(20)	(269)
Impairment reversals/(impairment losses)	-	-	-
Other changes	-	(1)	(1)
Closing carrying amount	**712**	**3**	**715**
Historical cost	8,617	2,773	11,260
Accumulated amortisation and impairment losses	(7,905)	(2,770)	(10,675)
Carrying amount at 31 December 2024	**712**	**3**	**715**

8 - EQUITY-ACCOUNTED INVESTMENTS

Equity-accounted investments, which comprise investments in associates, are broken down below:

(EUR'000)	Goodmind S.r.l.	Signature S.r.l.	Total investments in associates
% held at beginning of year	20%	24%	
Opening balance	**158**	**556**	**714**
Net investments/(sales)	-	-	-
Revaluations / (impairment losses)	4	6	10
Other changes	-	-	-
Closing balance	**162**	**562**	**724**
% held at end of year	20%	24%	

Goodmind S.r.l. provides communication services to companies and organisations.

Signature S.r.l. mainly operates in the stationery business.

9 – EQUITY INVESTMENTS IN OTHER COMPANIES

Equity investments in other companies, equal to EUR 338 thousand at 31 December 2024 (EUR 422 thousand at 31 December 2023), comprise the investment in the Maltese company Midi Plc (EUR 337 thousand) and other minor equity investments.

10 – INVENTORIES

Inventories comprise mainly materials used for the production of cars and prototypes at the Cambiano facility, as well as Pininfarina-branded products and car spare parts manufactured by the Group, which are sold to carmakers.

Inventories are analysed as follows:

(EUR'000)	31 December 2024	31 December 2023
Raw materials	978	577
Finished goods	89	111
(Provision for obsolescence)	(247)	(269)
Total Inventories	**820**	419

The provision for obsolescence, recognised against obsolete an slow-moving raw materials, changed as follows during the year:

(EUR'000)	31 December 2024	31 December 2023
Opening balance	**269**	269
Increases	-	-
Utilisations	(22)	-
Closing balance	**247**	269

11 - TRADE AND OTHER RECEIVABLES

Trade receivables are broken down below:

(EUR'000)	31 December 2024	31 December 2023
Italy	1,678	1,386
EU	3,524	4,263
Non-EU	8,844	14,354
(Loss allowance)	(1,904)	(1,026)
Trade receivables from third parties	**12,142**	18,977
Trade receivables from related parties	**350**	549
Total	**12,492**	19,526

The Group's main counterparties are top carmakers with a high credit rating. Since the receivables are not covered by insurance policies, the Group's maximum exposure to credit risk is equal to the carrying amount of the receivables less the loss allowance.

Trade receivables are mostly denominated in euro.

During the year, due to the geopolitical situation in the Middle East, it was necessary to increase the loss allowance by EUR 920 thousand to reflect uncertainty as to the recovery of a receivable from an Iranian customer of the Parent.

Changes in the loss allowance are detailed as follows:

(EUR'000)	31 December 2024	31 December 2023
Opening balance	**1,026**	618
Increases	962	461
Utilisation/change in accounting estimates	(67)	(34)
Other changes	(17)	(19)
Closing balance	**1,904**	1,026

For receivables that are not written down specifically, the Group defined a provisioning matrix based on its historical credit loss figures, adjusted to reflect the counterparties' different credit ratings and business environments.

At 31 December 2024 the balance of Other receivables, equal to EUR 5.7 million (EUR 8.5 million at 31 December 2023) comprised mainly VAT of the Parent, in relation to which the Parent collected EUR 4.5 million for the VAT receivable arising in 2023, on 10 July 2024, and EUR 1.4 million for the VAT receivable arising in the second quarter of 2024, on 8 October 2024.

Impairment losses were recognised for the entire balance of foreign tax withholdings of the Parent, which may be recovered only through future taxable profits from operations carried out in the country where the taxes were paid, given the doubtful possibility in practice of using them before they become time-barred. This is without prejudice to the Parent's right to use them should the conditions for their utilisation arise again in the future, considering that the time limit is up to 2031. Foreign tax withholdings not recognised in the consolidated financial statements that are still available for utilisation amounted to around EUR 4.3 million at 31 December 2024.

12 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents at 31 December 2024 e at 31 December 2023 are detailed as follows:

(EUR'000)	31 December 2024	31 December 2023
Cash in hand and cash equivalents	4	7
Short-term bank deposits	24,915	26,970
Cash and cash equivalents	**24,919**	26,977

Short-term bank deposits include:

- investments with a maximum duration of three months amounting to EUR 11 million that are readily convertible into cash;

- EUR 220 thousand pledged by the Parent in favour of Intesa Sanpaolo to secure the credit facility granted by the bank to the Chinese subsidiary.

Reference is made to the consolidated statement of cash flows for a detailed illustration of the cash flows for the year.

13 - EQUITY

Share capital

Share capital of Pininfarina S.p.A. at 31 December 2024 is made up of 78,657,878 ordinary shares with no nominal value. There are no other classes of shares.

Share capital is presented net of treasury shares, which are held in accordance with the thresholds laid out in article 2357 of the Italian Civil Code.

Detailed information about the Parent's shareholders is provided in Note 1.

	31 December 2024		**31 December 2023**	
	EUR'000	**Number**	EUR'000	Number
Ordinary shares outstanding	56,482	78,673,836	56,482	78,673,836
(Treasury shares)	(16)	(15,958)	(16)	(15,958)
Share capital	**56,466**	**78,657,878**	56,466	78,657,878

Other reserves

Other reserves are analysed as follows:

(EUR'000)	**31 December 2024**	**31 December 2023**	**Change**
Share premium reserve	22,905	22,905	-
Legal reserve	11,296	11,296	-
Translation reserve	418	185	233
Revaluation surplus on the historical collection	5,518	2,043	3,475
Other	10,557	10,641	(84)
Other reserves	**50,695**	47,071	3,624

The share premium reserve, equal to EUR 22,905,478, and the legal reserve, equal to EUR 11,296,386, are unchanged from the previous year end.

Pursuant to article 2430 of the Italian Civil Code, the legal reserve can be used to cover losses.

The translation reserve reflects the cumulative differences from the translation of financial statements of companies with functional currencies other than the euro, which is the Group's presentation currency. These are Pininfarina Shanghai Co Ltd. and Pininfarina of America Corp..

As required by IAS 16, the revaluation surplus on the historical collection of EUR 5,518,205 shows the fair value gain on the revalued assets' historical cost, net of deferred tax liabilities recognised as a result of taxable temporary differences.

The change in the item Other was due to the fair value adjustment at 31 December 2024 of equity investments in other companies (Note 9), recognised in other comprehensive income.

Losses carried forward

At 31 December 2024 losses carried forward totalled EUR 67,405,363, an increase of EUR 1,538,515 on 31 December 2023 due to:

- The appropriation of the consolidated loss for 2023 of EUR 1,591,317;
- The positive effect for the year of the adoption of IAS 19 (revised), equal to EUR 52,802.

14 - OTHER FINANCIAL LIABILITIES

Other financial liabilities mostly comprise the outstanding amount relating to the debt rescheduling agreement described below (EUR 12,087 thousand at 31 December 2024), as well as bank overdrafts.

The debt rescheduling agreement between Pininfarina S.p.A. and its lenders became effective on 30 May 2016. Its effects are summarised as follows:

- Settlement and extinguishment of 56.74% of the nominal amount of the Parent's exposure to the lenders that accepted this option, plus interest accruing up to the effective date;
- Rescheduling to 2025 of the nominal amount of the exposure to the lenders that accepted this option, for a total of EUR 41.5 million;
- Application of a fixed interest rate of 0.25% per annum, based on a year of 360 days, increased by the difference between this rate and the 6-month Euribor rate, should the latter exceed 4%.

Changes in other financial liabilities are summarised below:

	31 December 2024			**31 December 2023**		
(EUR'000)	**Other loans and borrowings**	**Bank overdrafts**	**Total**	**Other loans and borrowings**	**Bank overdrafts**	**Total**
Opening balance	**14,753**	**843**	**15,596**	17,261	2,200	19,461
Increase/other changes	**-**	**1,471**	**1,471**	-	843	843
Imputed interest	**919**	**-**	**919**	1,070	-	1,070
Repayment/derecognition of liabilities	**(3,586)**	**(843)**	**(4,429)**	(3,578)	(2,200)	(5,778)
Other changes	**-**	**-**	**-**	**-**	**-**	**-**
Closing balance	**12,087**	**1,471**	**13,558**	14,753	843	15,596
of which: due within one year	**12,087**	**1,471**	**13,558**	*3,578*	*843*	*4,421*
of which: due after one year	**-**	**-**	**-**	*11,175*	-	*11,175*

On 30 May 2015, the fair value of the restructured debt was determined by discounting the cash flows as per the debt rescheduling agreement to their present value at a rate of 6.5%, determined with the assistance of a third-party financial advisor as the sum of 1) the return on risk-free investments, and 2) a "credit spread" attributed to Pininfarina S.p.A.

The change in bank overdrafts was due to a recourse factoring agreement signed by the German subsidiary.

A breakdown of the contractual cash flows by maturity is provided in Note 34.

A breakdown of changes by lender is set out below:

(EUR'000)	31 December 2023	Imputed interest	Repayment/ Other changes	31 December 2024
Intesa Sanpaolo S.p.A.	9,550	595	(2,321)	**7,824**
Banca Nazionale del Lavoro S.p.A.	562	35	(137)	**460**
BPER Banca S.p.A.	2,245	140	(546)	**1,840**
Selmabipiemme Leasing S.p.A.	2,396	149	(582)	**1,963**
Other loans and borrowings	14,753	**919**	**(3,586)**	**12,087**

The Group's loans and borrowings are not subject to currency risk.

Reference should be made to the table in Note 38 for more details on the Group's net financial debt.

15 – EMPLOYEE BENEFITS

Employee benefits include the present value of the liability to employees of the Parent for the post-employment benefits vested before 1 January 2007 as well as that relating to the LTI Plan implemented since 2023.

Changes in the two years are detailed as fo:

(EUR'000)	31 December 2024			31 December 2023		
	Post-employment benefits	LTI Plan	Total	Post-employment benefits	LTI Plan	Total
Opening balance	**1,964**	**775**	**2,739**	2,069	-	2,069
Service cost recognised in profit or loss	**-**	**825**	**825**	-	775	775
Interest cost recognised in profit or loss	**57**	**-**	**57**	73	-	73
Actuarial (gains)/losses recognised in other comprehensive income	**(32)**	**(21)**	**(53)**	(29)	-	(29)
Benefits paid	**(177)**	**-**	**(177)**	(149)	-	(149)
Closing balance	**1,812**	**1,579**	**3,391**	1,964	775	2,739

The main changes in the year include the actuarial gains recognised in OCI (EUR 53 thousand before the tax effect) and benefits paid (EUR 177 thousand).

The overall cost for employee benefits recognised in profit or loss during 2024 comprises interest cost for EUR 57 thousand and the employee service cost related to the LTI Plan for EUR 825 thousand.

The main assumptions underlying the actuarial calculation of the liability in the current and previous years are set out below:

	31 December 2024	31 December 2023
Annual inflation rate	**1.70%**	1.80%
Benefit discount rate (post-employment benefits)	**3.10%**	3.05%
Benefit discount rate (LTI Plan)	**2.72%**	3.26%

The adopted discount rate refers to the market yield of AA-rated securities denominated in euro.

Moreover, a sensitivity analysis was carried out increasing/decreasing the base rate for the post-employment benefits and LTI Plan by 50% and no significant changes from the reported liability emerged.

16 – OTHER CURRENT LIABILITIES

Other current liabilities at 31 December 2024 and 31 December 2023 are detailed as follows:

(EUR'000)	31 December 2024	31 December 2023
Wages and salaries	**3,660**	3,816
Social security payables	**967**	932
Other payables	**1,243**	1,032
Other liabilities	**241**	390
Total	**6,111**	6,170

It should be noted that, compared with the consolidated financial statements of the Pininfarina Group at 31 December 2023, there was a change in the presentation of other current liabilities. In detail, current tax liabilities of the Parent, equal to EUR 132 thousand in 2023 and EUR 110 thousand in 2024, were excluded from Other liabilities and reported separately on the line Current tax liabilities. The change is solely a reclassification for accounting purposes and has no impact on the Group's overall liabilities.

17 - TRADE PAYABLES

(EUR'000)	31 December 2024	31 December 2023
Trade payables to third parties	**13,743**	14,302
Other payables to third parties	**594**	284
Trade payables to third parties	**14,337**	14,585
Trade payables to related parties	**1,220**	955
Total	**15,557**	15,540

18 - PROVISIONS FOR RISKS AND CHARGES AND CONTINGENT LIABILITIES

Provisions for risks and charges

Changes in provisions for risks and charges are set out below:

(EUR'000)	Warranty provision	Provision for losses to complete contracts	Provision for litigation	Total
1 January 2024	**218**	**577**	**-**	**795**
Additions to provisions	-	490	3,400	3,890
Utilisations	-	(251)	-	(251)
Releases	-	(301)	-	(301)
31 December 2024	**218**	**515**	**3,400**	**4,133**

The warranty provision, unchanged at the year end, is the Parent's best estimate of its contractual and legal obligations for warranties provided on certain components manufactured and assembled on customers' vehicles, for a predefined period after the sales to the end customers. The estimate was determined based on past experience, specific contractual terms and product specifications and data on defects collected by statistical customer survey systems.

The provision for losses to complete contracts shows the effects of the measurement of losses to complete the Parent's long-term contracts.

With reference to the ongoing litigation with the Swiss company GreenGT (GGT) before the Commercial Court in Paris, concerning compensation for damage caused by Pininfarina S.p.A.'s failure to fulfil the contract, resulting in the loss of business opportunities and damage to reputation, the following developments occurred: the Court issued the first-

instance ruling on 9 November 2021, rejecting the claim for breach of contract and the alleged reputational damage, but held Pininfarina S.p.A. liable for damages to GGT amounting to approximately EUR 2.5 million. The Company promptly filed an appeal with the Court. At the hearing held on 17 January 2025, the Paris Court of Appeal (i) upheld the Company's claims on some shared assets; and (ii) awarded GreenGT damages of around EUR 6.2 million plus legal costs. The Company, supported by its legal advisors, considered there to be sufficient grounds to file an appeal with the Court of Cassation, which is now being prepared. However, in consideration of the second-degree ruling and related arguments, the Parent updated its assessment of the probability of losing the case, and posted a provision for litigation of EUR 3,400 thousand. This amount is the directors' best estimate, based on currently available information, of the possible charge from the ongoing lawsuit.

Contingent liabilities and litigation

On 1 August 2022 the Labour Inspectorate notified the subsidiary Pininfarina Engineering S.r.l. in liquidation of minutes of assessment concerning alleged breaches of regulations on social charges for an amount of EUR 807,200 (inclusive of penalties). On 31 May 2023 the entity also received a payment notice. On 10 July 2023, Pininfarina Engineering S.r.l. in liquidation filed an objection to the payment notice notified without making any payment. On 11 July 2023 the court allowed the objection from Pininfarina Engineering S.r.l. in liquidation and accordingly suspended the enforceability of the payment notice. On 25 March 2024 witnesses were heard and the court scheduled a hearing to discuss the matter for 4 July 2024, subsequently postponed to 24 September 2024 and then to 22 October 2024. On 4 November 2024, the ruling was announced in which the court rejected the objection submitted by Pininfarina Engineering S.r.l. in liquidation. The Company, supported by it legal advisors, filed a new petition for suspension against the first-degree ruling. The second-degree hearing is scheduled for 7 May 2025. In accordance with the applicable financial reporting standards, the directors did not deem it necessary to post a provision for this liability.

As part of the dispute concerning the use of the Pininfarina trademark and related to Pininfarina Extra S.r.l., which was merged into Pininfarina S.p.A. on 1 January 2019, lawsuits are still pending for (i) opposition to an injunction obtained by Pininfarina S.p.A., and (ii) reassignment to the competent court of the proceeding referred to by the judgment of the Court of Fermo, revised in full by the Court of Appeal of Ancona. These proceedings are expected to end in the next financial year. It should be noted that in March 2025, the counterparty applied for the negotiated composition with creditors procedure with application of the protective measures envisaged by articles 18 and 19 of the Business Crisis and Insolvency Code.

There are no further contingent liabilities or litigation to report.

19 - CURRENT AND DEFERRED TAXES

The table below provides a breakdown of deferred tax assets and liabilities in accordance with the provisions of IAS 12.

(EUR'000)	31 December 2024	31 December 2023
Deferred tax assets	**1,469**	544
(Deferred tax liabilities)	**(2,136)**	(791)
Total	**(666)**	(247)

Deferred tax liabilities at 31 December 2024 and 31 December 2023 relate to the tax effect of the revaluation of the Historical Collection. Since the revaluation gave rise to taxable temporary differences, the Company found that the conditions existed to recognise deferred tax assets of EUR 1,469 thousand on tax losses that can be carried forward without a time limit. I should noted that the Company has not recognised any deferred tax assets in connection with other prior tax losses of more than EUR 100 million that can be carried forward without a time limit.

Income taxes recognised in profit or loss in the last two years are detailed below:

(EUR'000)	31 December 2024	31 December 2023
Income taxes	**(536)**	(520)
Current taxes	**(536)**	(520)
Change in deferred tax assets	**925**	544
Deferred taxes	**925**	544
Total income taxes	**389**	24

20 - REVENUE FROM SALES AND SERVICES

The Group's revenue is mainly generated from the provision of design and engineering services and sales of prototypes and special cars.

(EUR'000)	2024	2023
Sales	**1,173**	2,941
Services	**85,146**	80,232
Royalties	**4,826**	3,986
Revenue from sales and services	**91,145**	87,159

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by major product and service line and timing of revenue recognition.

	Major product/service lines	
(EUR'000)	**2024**	**2023**
Design services	**71,758**	68,595
Engineering services	**14,561**	14,578
Royalties	**4,826**	3,986
Total	**91,145**	87,159

	Timing of revenue recognition	
(EUR'000)	**2024**	**2023**
Products transferred at a point in time	**9,026**	8,039
Products and services transferred over time	**82,119**	79,120
Total	**91,145**	87,159

Contract assets and liabilities

The following table provides information about contract assets and liabilities.

(EUR'000)	31 December 2024	31 December 2023
Contract assets	**5,502**	4,997
Contract liabilities	**(7,611)**	(16,390)
Net contract assets/(liabilities)	**(2,109)**	(11,393)

Contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date on made-to-order products/services.

They are reclassified to trade receivables when the rights become unconditional. This usually occurs when the group company issues an invoice to the customer.

Contract liabilities represent the Group's obligation to transfer goods or services to a customer for which it has received consideration (or an amount of consideration is due) from that customer.

21 - OTHER INCOME

Other sources of revenue include the following:

(EUR'000)	2024	2023
Grants for research and training	**19**	10
Insurance recoveries	**5**	25
Gains on sales of non-current assets and equity investments	**191**	2,459
Rent	**200**	-
Miscellaneous items	**292**	763
Total	**707**	3,257

22 - PURCHASES, SERVICES AND OTHER VARIABLE PRODUCTION COSTS

(EUR'000)	2024	2023
Raw materials and consumables	**(13,420)**	(15,740)
Other variable production costs	**(1,928)**	(2,538)
External variable engineering services	**(16,751)**	(15,843)
Total	**(32,100)**	(34,121)

External variable engineering services relate mainly to engineering and technical services.

23 - OTHER OPERATING EXPENSE

(EUR'000)	2024	2023
Miscellaneous expenses	**(11,199)**	(10,740)
Exchange gains /(losses)	**74**	(103)
Total	**(11,125)**	(10,843)

24 - PERSONNEL EXPENSE

(EUR'000)	2024	2023
Wages and salaries	**(33,486)**	(31,242)
Social charges	**(7,507)**	(7,312)
Post-employment benefits	**(1,318)**	(1,083)
Other employee benefits	**(825)**	(775)
Utilisation of restructuring provision	**-**	62
Personnel expense	**(43,136)**	(40,350)

Post-employment benefits are the costs related to both the portion of the defined benefits previously vested and the interest accruing on those defined benefits (see Note 15) in consideration of the presentation adopted by the Group.

Other employee benefits is the cost for the year of the LTI plan (see Note 15).

In accordance with article 2427 of the Italian Civil Code, the following table provides a breakdown of headcount at 31 December and the average headcount for the year, calculated by adding the number of employees at the beginning and end of the year and dividing the result by two:

	2024		2023	
	Reporting date	**Average**	**Reporting date**	**Average**
Managers	**24**	**24**	20	20
White collars	**438**	**439**	422	416
Blue collars	**24**	**24**	25	24
Total	**486**	**487**	467	460

25 - AMORTISATION AND DEPRECIATION

The caption is detailed as follows:

(EUR'000)	**2024**	**2023**
Depreciation of property, plant and equipment	**(2,627)**	(2,397)
Amortisation of intangible assets	**(269)**	(304)
Depreciation of right-of-use assets	**(1,209)**	(1,065)
Amortisation and depreciation	**(4,105)**	(3,766)

26 - DECREASES IN/(ADDITIONS TO) PROVISIONS

(EUR'000)	**2024**	**2023**
Additions to the provision for losses to complete contracts	**(490)**	(575)
Additions to the warranty provision	**-**	(165)
Additions to the restructuring provision	**-**	48
Additions to the provision for litigation	**(3,400)**	-
Releases, utilisations and changes in estimates	**552**	204
Decreases in/(Additions to) provisions	**(3,338)**	(488)

Reference is made to Note 18 for details of additions to provisions.

27 - NET IMPAIRMENT REVERSALS (WRITE-DOWNS) OF TRADE AND OTHER RECEIVABLES

(EUR'000)	**2024**	**2023**
Addition to loss allowance for trade/other receivables	**(1,063)**	(461)
Losses on trade receivables	**-**	(158)
Changes in estimates of the loss allowance	**26**	-
Impairment losses on foreign tax withholdings	**(572)**	(407)
Net impairment reversals (write-downs) of Trade and other receivables	**(1,609)**	(1,026)

The addition to the loss allowance relates to three specific customers of the Parent, for EUR 1,039 thousand, and two customers of the US subsidiary, for EUR 24 thousand.

Impairment losses of EUR 572 thousand were recognised on foreign tax withholdings of the Parent, which may be recovered through future taxable profits from operations carried out in the country where the taxes were paid, given the doubtful possibility of using them before they become time-barred.

Changes in estimates during the year reflect the reduction of the provisions posted in the past and relating to a customer of the Chinese subsidiary.

28 - NET IMPAIRMENT REVERSALS (LOSSES) OF PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS

During 2024 no impairment losses or reversals of property, plant and equipment, right-of-use assets or intangible assets were recognised.

Impairment losses on property, plant and equipment recognised in 2023, equal to EUR 102 thousand, were chiefly related to the measurement of the Parent's Historical Collection using the revaluation model.

An impairment loss or reversal was determined comparing each asset's carrying amount with its fair value. As required by IAS 16, when an impairment loss emerged, it was recognised directly in profit or loss. Overall, impairment losses totalled EUR 85 thousand.

In addition, impairment losses on other items of property, plant and equipment were recognised for an amount of EUR 17 thousand.

29 - FINANCIAL INCOME

Financial income of 2024, equal to EUR 424 thousand (EUR 99 thousand for the previous year) relates mainly to interest income on the Parent's liquidity investments with a term of less than three months.

30 - FINANCIAL EXPENSE

(EUR'000)	2024	2023
Interest expense on borrowings	**(964)**	(1,121)
Bank interest and fees	**(180)**	(176)
Interest expense on lease liabilities	**(247)**	(166)
Financial expense	**(1,391)**	(1,463)

Interest expense on borrowings comprises EUR 919 thousand for the effect of imputed interest resulting from the measurement of the liability at amortised cost and EUR 45 thousand in interest expense recognised in accordance with the terms of the debt rescheduling agreement in force.

Bank interest and fees refer to interest paid on credit lines and bank fees.

Interest expense on lease liabilities relates to the amortised-cost measurement of lease liabilities under IFRS 16.

31 –EARNIGS/(LOSS) PER SHARE

The basic loss per share amounted to EUR 0.05 in 2024 (EUR 0.02 in 2023) and coincides with the diluted loss per share because there is no dilutive effect since stock options can no longer be exercised as the related plan expired in November 2023.

The basic loss per share (and, based on the above, the diluted loss per share) is calculated by dividing the consolidated loss for the year attributable to the owners of the Parent by the weighted average number of ordinary shares outstanding during the year (78,657,878 in both 2023 and 2024).

32 - EVENTS AFTER THE REPORTING DATE

On 29 January 2025, Pininfarina S.p.A. was notified of the ruling, dated 17 January 2025, relating to the civil dispute pending with GreenGT. For additional details reference is made to Note 18.

No other significant events occurred after the reporting date.

33 - FINANCIAL INSTRUMENTS AND FAIR VALUE HIERARCHY

In accordance with IFRS 7, the following table shows the types of financial instruments included in the consolidated financial statements and the measurement criteria adopted:

		31 December 2024			
(EUR'000)	**Notes**	**Assets at amortised cost**	**Assets at fair value**	**Assets at fair value through OCI**	**Total**
Equity investments in other companies	(9)	-	-	338	338
Non-current financial assets		550	-	-	550
Trade and other receivables	(11)	18,179	-	-	18,179
Cash and cash equivalents	(12)	24,919	-	-	24,919
Total financial assets		**43,648**	**-**	**338**	**43,986**
Non-current lease liabilities	(6)	2,546	-	-	2,546
Current lease liabilities	(6)	1,121	-	-	1,121
Other current financial liabilities	(14)	13,558	-	-	13,558
Other current liabilities	(16)	6,111	-	-	6,111
Trade payables	(17)	15,557	-	-	15,557
Total financial liabilities		**38,893**	**-**	**-**	**38,893**

		31 December 2023			
(EUR'000)	**Notes**	**Assets at amortised cost**	**Assets at fair value**	**Assets at fair value through OCI**	**Total**
Equity investments in other companies	(9)	-	-	422	422
Non-current financial assets		550	-	-	550
Trade and other receivables	(11)	28,044	-	-	28,044
Cash and cash equivalents	(12)	26,977	-	-	26,977
Total financial assets		55,571	-	422	55,993
Non-current lease liabilities	(6)	2,392	-	-	2,392
Other non-current financial liabilities	(14)	11,175	-	-	11,175
Current lease liabilities	(6)	1,008	-	-	1,008
Other current financial liabilities	(14)	4,421	-	-	4,421
Other current liabilities	(16)	6,170	-	-	6,170
Trade payables	(17)	15,540	-	-	15,540
Total financial liabilities		40,706	-	-	40,706

IFRS 7 – Financial instruments: disclosures, requires the classification of financial instruments within the fair value hierarchy, as defined in IFRS 13, to be based on the quality of the inputs used for measurement purposes:

- Level 1: fair value is determined based on quoted prices in active markets for identical assets or liabilities.
- Level 2: fair value is determined based on inputs other than quoted prices included within Level 1 that are observable either directly or indirectly. These consolidated financial statements do not present any financial instruments of this type.

- Level 3: fair value is determined based on valuation models, the inputs of which are not based on observable market data. These consolidated financial statements do not present any financial instruments of this type.

Based on the above, the classification of assets and liabilities at fair value in the statement of financial position according to the fair value hierarchy involved equity investments in other companies, mostly comprising the investment (EUR 336 thousand) in the Maltese company Midi Plc which is listed on the Malta stock exchange. The investment was classified at Level 1 of the fair value hierarchy having regard to its stock exchange price at the reporting date that is deemed to reflect its fair value considering the trades that took place close to the period end. Fair value gains or losses on the above equity investment are recognised in OCI.

The carrying amount of financial instruments comprising Non-current financial assets, Cash and cash equivalents, Trade and other receivables, Lease liabilities, Trade payables and Other current liabilities is considered to be a reasonable approximation of fair value.

The fair value of Other financial liabilities, equal to EUR 12,216 thousand (EUR 14,999 thousand at 31 December 2023), was measured with the support of an independent expert, using a level 3 measurement model that entailed:

- the identification of the interest and principal cash flows generated by the financial liabilities, based on the effective interest rate and the relevant repayment plan;

- the discounting of the cash flows by applying a rate which is considered to reflect the market rate that the group companies would have obtained had they assumed liabilities with similar characteristics (amount and maturity) at the reporting date, including a spread that objectively reflects the Group's credit rating.

34 - FINANCIAL RISK MANAGEMENT

Financial risk factors, as identified in IFRS 7 – Financial instruments: disclosures, are described below.

- Market risk: the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices. Market risk includes:

    - Currency risk: the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in exchange rates;

    - Interest rate risk: the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in interest rates;

    - Price risk: the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices (other than changes covered by the interest rate and currency risks), irrespective of whether such fluctuations are determined by factors specific to the financial instrument or its issuer or by factors that affect all similar market-traded financial instruments.

- Credit risk: the risk that one of the parties causes the other party to incur a financial loss by failing to fulfil an obligation.

- Liquidity risk: the risk that an entity may be unable to fulfil obligations associated with financial liabilities.

Currency risk

The Group has entered into most of its financial instruments in euro, which is its functional and presentation currency. Although it operates in an international environment, the Group's exposure to fluctuations in exchange rates is limited to the following currencies against the euro: US dollar (USD) and Chinese renminbi (CNY).

Interest rate risk

This risk is due to the Group's exposure to fluctuations in market interest rates, since the interest expense on its debt is indexed thereto.

The restructuring agreement signed by Pininfarina S.p.A. with the lenders, effective from 30 May 2016 to 31 December 2025, defined a fixed contractual interest rate of 0.25% per annum, based on a year of 360 days.

Should 6-month Euribor exceed 4% during an interest accruing period, the contractual interest rate would be increased by the difference between the actual 6-month Euribor and 4%.

The Group does not currently deem it necessary to hedge the portion of its debt subject to interest rate risk.

A breakdown of the Group's financial debt by fixed and variable interest rates is as follows:

(EUR'000)	31 December 2024	%	31 December 2023	%
- Fixed rate	**13,558**	**100%**	15,596	100%
- Variable rate	**-**	**-**	-	-
Gross financial debt with third parties	**13,558**	**100%**	15,596	100%

Price risk

The Group mainly carries out design and engineering activities, therefore it is not significantly exposed to price risk on the commodities it purchases.

Credit risk

The Group is exposed to credit risk, defined as the probability of an impairment loss on exposures with a commercial or financial counterparty. With reference to commercial transactions, the Group's most significant projects have a limited number of counterparties, most of which may be qualified as of high credit standing. At group level, credit risk is especially concentrated in Asia (Iran, India and China).

Counterparty risk in the case of countries in which the Group does not usually undertake commercial transactions is analysed and assessed at the offering stage in order to identify and mitigate any solvency risks.

Since it mainly operates with counterparties of high credit standing, the Group is not significantly exposed to credit risk on existing trade receivables.

However, following the deterioration of the geopolitical situation in the Middle East, it became necessary to recognise an addition to the loss allowance of EUR 920 thousand to reflect the uncertainty about the recovery of a trade receivable from an Iranian customer of the Parent. In addition, specific additions to the loss allowance were posted for EUR 194 thousand by the Chinese subsidiary, for EUR 394 thousand by the Parent and for EUR 24 thousand by the US subsidiary.

For details of the breakdown of receivables by geographical area reference is made to Note 11.

Liquidity risk

This is the risk that the Group may be unable to fulfil the obligations associated with its financial liabilities.

The Group's liquidity management approach is to ensure that it always has sufficient funds to fulfil its obligations when they fall due, under both normal and financial stress conditions, without incurring borrowing costs at above-market interest rates. Generally, the Group ensures that there is sufficient cash to cover expected short-term operating expenses, including those related to loans and borrowings. Potential effects resulting from extreme circumstances that cannot be reasonably foreseen, such as natural disasters, are excluded.

The objective of the Group's financial strategy is to adequately balance the maturity of its liabilities in order to reduce the risk of having to refinance its debt. The Group has historically been able to meet its obligations regularly and to refinance its debt before maturity.

In brief, the Rescheduling agreement signed by the Parent with its lenders on 14 December 2015 and effective as of 30 May 2016 entailed the following:

- Settlement and extinguishment of 56.74% of the nominal amount of the Parent's exposure to the lenders that accepted this option, plus interest accruing up to the effective date;

- Rescheduling to 2025 of the nominal amount of the exposure to the lenders that accepted this option, for a total of EUR 41.5 million;

- Application of a fixed interest rate of 0.25% per annum, based on a year of 360 days, increased by the difference between this rate and the 6-month Euribor rate, should the latter exceed 4%.

Consequently, over the medium/long term, liquidity risk is directly correlated to the achievement of the business plan targets.

The following table shows the carrying amount and the gross amount without discounting the contractual cash flows to the reporting date of the financial liabilities arising from the Parent's debt rescheduling agreement and the German subsidiary's factoring agreement.

(EUR'000)	Carrying amount at 31 Dec.2024	Contractual cash flows	of which: due within one year	of which: due from one to five years	of which: due after five years
Debt rescheduling agreement	12,087	12,839	12,839	-	-
Bank overdrafts	1,471	1,471	1,471	-	-
Total	**13,558**	**14,310**	**14,310**	**-**	**-**

At the reporting date, the Group's cash and cash equivalents were equal to EUR 24,919 thousand.

Also, as previously stated, in March 2025 the controlling shareholder committed to providing financial support to the Parent Pininfarina S.p.A. for the 12 months following the date of approval of the financial statements. Consequently, should financing requirements arise that are not covered by the estimated future operating cash flows, also in relation to the possible negative outcomes of litigation in progress and the associated outlays, the Parent will be able to meet them by using the financial support granted by the controlling shareholder.

Risk of default and covenant on debt

This risk relates to the possibility that the rescheduling agreement between Pininfarina S.p.A. and its lenders that came into force on 30 May 2016 may include acceleration clauses, giving rise to liquidity risk.

The rescheduling agreement contains a financial covenant that, as of the compliance assessment date of 31 March of each year, minimum consolidated equity shall be at least equal to EUR 30 million. Compliance with the covenant shall be verified until the expiry of the loan in 2025.

The Mahindra Group provided an on demand guarantee to the lenders that is enforceable if Pininfarina S.p.A. fails to meet its obligations.

At 31 March 2024, and based on the pre-actual figures at 31 March 2025, the covenant was complied with. Should the minimum equity threshold not be complied with, the agreement would not be automatically terminated, as it provides for specific remedies, and the lending banks can also waive their right to take action.

Business/market risk

The performance of the sectors/markets in which the Parent and the Group operate has been adversely affected by the persisting negative economic cycle of the global automotive industry, further exacerbated by the conflict in Ukraine and by the geopolitical situation in the Middle East.

Against this backdrop, the Group must face the challenges posed by technological advances that are affecting the mobility and other sectors, offering traditional services combined with digital experiences.

Overall, the Parent and the Group are redirecting their available resources towards activities with a strategic profile focused on those service lines which are considered to have greater potential in terms of strengthening customer relations and profitability in the medium term.

Climate change risk

In the course of 2024, the Parent continued assessments, started in 2023, of the risks related to climate change, integrating such assessments into a broader environmental management business process.

At the same time, the Parent implemented measures to adapt to climate change, including the following:

- Tests of the stability of trees at the Cambiano site, with the aim of preventing and managing potential economic damage to the asset and/or the workers in case of extreme weather events. In the coming years a vulnerability analysis, and possibly structural improvements, may be planned in relation to the most significant buildings in terms of production and/or that are at greater risk because the personnel being present;

- An insurance policy covering the damage to property, plant and equipment caused by natural disasters (currently excluding landslides which, however, do not pose a significant risk to the Group).

In general, considering the business model adopted by the Group, the future impacts of this risk are not expected to be significant.

35 - RELATED PARTY TRANSACTIONS

Pursuant to Consob communication DEM/6064293 of 28 July 2006, the following table shows a summary of transactions with related parties, including intra-group transactions. Those transactions were carried out at arm's length, taking into account the nature of the goods exchanged or services provided. They were neither atypical nor unusual for the purposes of the above-mentioned communication.

(EUR'000)	Commercial		Financial		Operating		Financial	
	Receivables	Payables	Assets	Liabilities	Revenue	Expense	Income	Expense
Signature S.r.l.	64	99	550	-	74	180	-	-
Tech Mahindra Ltd	32	1,128	-	-	18	225	-	-
Tech Mahindra (Americas) Inc	-	-	-	-	-	28	-	-
Born Group	-	-	-	-	-	4	-	-
Tech Mahindra (Shanghai) Co Ltd	105	-	-	-	236	-	-	-
Mahindra & Mahindra Ltd	-	-	-	-	50	-	-	-
Mahindra Holidays & Resort India Limited	-	-	-	-	186	-	-	-
Automobili Pininfarina GmbH	149	60	-	-	2,165	-	-	-
Total	**350**	**1,287**	**550**	**-**	**2,729**	**437**	**-**	**-**

Intragroup transactions include:

- Signature S.r.l.: loan agreement, purchase of store material and royalties with Pininfarina S.p.A. and sales of goods with Pininfarina S.p.A.;

- Tech Mahindra Ltd: architecture services agreement with Pininfarina S.p.A. and services agreement with Pininfarina Deutschland GmbH;

- Tech Mahindra (Americas) Inc: lease of office space by Pininfarina of America Corp. starting from April;

- Born Group: lease of office space by Pininfarina of America Corp. in January and February;

- Tech Mahindra (Shanghai) Co. Ltd.: design services agreement with Pininfarina Shanghai Co. Ltd;

- Mahindra & Mahindra Ltd: brand licence and services rendered by Pininfarina S.p.A.;
- Mahindra Holidays & Resorts India Ltd: architecture services agreement with Pininfarina S.p.A.;
- Automobili Pininfarina GmbH: general, design and engineering services agreement, secondment agreement, lease of offices and workshop with Pininfarina S.p.A and lease of office space with Pininfarina Deutschland GmbH.

36 - DIRECTORS' AND STATUTORY AUDITORS' FEES

(EUR'000)	31 December 2024	31 December 2023
Directors	**436**	560
Statutory auditors	**50**	89
Total	**486**	650

The fees of the members of the board of statutory auditors are the amounts paid up to 31 July 2024, before the adoption of the one-tier governance model.

Art 31 December 2024, fees payable to the Group's key management personnel totalled around EUR 1.3 million.

As for variable components of remuneration, the financial parameters that are being measured are (i) Total revenue, (ii) Gross operating profit, (iii) Equity.

37 - DISCLOSURE OF THE INDEPENDENT AUDITORS' FEES REQUIRED BY ARTICLE 149-DUODECIES OF THE ISSUERS' REGULATION

Pursuant to article 149-duodecies of the Consob Issuers' Regulation, the 2024 fees for audit and non-audit services provided by Deloitte & Touche S.p.A. and by other entities of its network are detailed below.

(EUR'000)	Service provider	Service recipient	2024 fee
Audit	Deloitte & Touche S.p.A.	Pininfarina S.p.A. (1)	**161**
	Deloitte & Touche S.p.A.	Subsidiaries (2)	**13**
Non-audit services	Deloitte & Touche S.p.A.	Pininfarina S.p.A. (3)	**51**
Total			**225**

(1) including fees of EUR 21 thousand for the review of the Non-financial statement and EUR 39 thousand for the audit of the consolidated reporting package at 31 March 2024 for the purposes of the consolidated financial statements of the Tech Mahindra Group.

(2) including for the audit of Pininfarina Engineering S.r.l. in liquidation.

(3) Including methodological support with the gap analysis of the Non-financial statement.

38 – ADDITIONAL DISCLOSURES

Consolidated net financial position

	31 Dec. 2024	31 Dec. 2023	Change
Cash and cash equivalents	**24,919**	26,977	(2,058)
Bank overdrafts	**(1,471)**	(843)	(628)
Other current financial liabilities	**(12,087)**	(3,578)	(8,509)
Current lease liabilities	**(1,121)**	(1,008)	(113)
Net cash and cash equivalents / (Net current financial debt)	**10,240**	21,548	**(11,308)**
Non-current financial assets from related parties	**550**	550	-
Non-current lease liabilities	**(2,546)**	(2,391)	(155)

	31 Dec. 2024	31 Dec. 2023	Change
Other non-current financial liabilities	**-**	(11,175)	11,175
Net non-current financial debt	**(1,996)**	(13,016)	**11,020**
NET FINANCIAL POSITION	**8,244**	8,532	**(288)**

Consolidated net financial debt

(ESMA Guideline 32-382-1138 of 4 March 2021)

		31 Dec. 2024	31 Dec. 2023	Change
(A)	Cash	**(24,919)**	(26,977)	2,058
(B)	Cash equivalents	**-**	-	-
(C)	Other current financial assets	**-**	-	-
(D)	**Liquidity (A+B+C)**	**(24,919)**	(26,977)	**2,058**
(E)	Current financial debt	**13,558**	843	12,715
(F)	Current portion of non-current financial debt	**1,121**	4,586	(3,465)
(G)	**Current financial debt (E+F)**	**14,679**	5,429	**9,250**
(H)	**Net current financial debt (E+F)**	**(10,240)**	(21,548)	**11,308**
(I)	Non-current financial debt	**2,546**	13,566	(11,020)
(J)	Debt instruments	**-**	-	-
(K)	Trade payables and other current liabilities	**-**	-	-
(L)	**Net non-current financial debt (I+J+K)**	**2,546**	13,566	**(11,020)**
(M)	**Net financial debt (H+L)**	**(7,694)**	(7,982)	**288**

The “Net financial position” in the above table is presented in accordance with the format recommended by the ESMA Guidelines 32-82-1138 enacting Regulation (EU) 2017/1129 applicable from 5 May 2021. Because the purpose of this table is to show Net financial debt, assets are shown with a minus sign and liabilities with a plus sign. In contrast, in the “Net financial position” table provided at the top of the page, assets are shown with a plus sign and liabilities with a minus sign.

The difference between the net financial position and net financial debt values is attributable to the fact that the latter does not include loans and non-current financial assets. Those differences amounted to EUR 550 thousand at 31 December 2024 (unchanged from 31 December 2023).

Please note that net financial debt at 31 December 2024 includes the effect of the application of IFRS 16 for a total amount of around EUR 3.7 million, vs. EUR 3.4 million at 31 December 2023.

Significant non-recurring transactions

As required by Consob communication DEM/6064293 of 28 July 2006, we specify that during the year the Group did not carry out any significant non-recurring transaction.

Atypical and unusual transactions

As required by Consob communication DEM/6064293 of 28 July 2006, the Pininfarina Group specifies that during the year it did not carry out any atypical or unusual transactions as defined in the above-mentioned communication, according to which atypical and/or unusual transactions are transactions that, because of their significance/material amount, nature of the counterparty, subject, method used to determine the transfer price and timing of the event, could raise doubts as to the accuracy/completeness of the disclosure provided in the financial statements, the existence of a conflict of interest, the safeguarding of corporate assets and the protection of minority investors.

LIST OF CONSOLIDATED ENTITIES

Parent Legal name	Registered office	Country	Capital	Currency	% consolidated	Investor	% held
Pininfarina S.p.A.	Via Raimondo Montecuccoli 9, Turin, Italy	Italy	56,481,932	EUR	100		
Subsidiaries consolidated line by line							
Italian subsidiaries							
Pininfarina Engineering Srl in liquidation	Via Raimondo Montecuccoli 9, Turin, Italy	Italy	100,000	EUR	100	Pininfarina S.p.A.	100
Foreign subsidiaries							
Pininfarina of America Corp.	501 Brickell Key Drive, Suite 200, Miami FL 33131 US	USA	10,000	USD	100	Pininfarina S.p.A.	100
Pininfarina Deutschland GmbH	Frankfurter Ring 81, Monaco, Germania	Germany	3,100,000	EUR	100	Pininfarina Engineering Srl in liquidation	100
Pininfarina Shanghai Co. Ltd	Unit 1, Building 3, Lane 56, Antuo Road, Anting, 201805, Jiading district, Shanghai, Cina	China	12,583,813	CNY	100	Pininfarina S.p.A.	100
Equity-accounted investees							
Goodmind S.r.l.	Corso Vittorio Emanuele II 12, Torino, Italia		20,000	EUR	20	Pininfarina S.p.A.	20
Signature S.r.l.	Via Paolo Frisi 6, Ravenna, Italia		10,000	EUR	24	Pininfarina S.p.A.	24

KEY FIGURES OF THE MAIN GROUP COMPANIES (UNDER IAS/IFRS)

(EUR'm)	Pininfarina Engineering S.r.l. in liquidation	Pininfarina Deutschland GmbH	Pininfarina ofAmerica Corp.	Pininfarina Shanghai Co Ltd
2024				
Revenue	-	15.1	9.0	6.6
Profit (loss) for the year	(1.3)	(1.6)	1.2	0.4
Equity (deficit)	8.0	4.7	4.0	0.3
Net financial position (debt)	0.1	0.2	1.3	1.2
2023				
Revenue	-	15.2	8.1	3.1
Profit (loss) for the year	(3.1)	(1.8)	1.3	(1.3)
Equity (deficit)	9.3	6.3	3.0	(0.1)
Net financial position (debt)	-	(0.5)	1.2	0,8l

Silvio Pietro Angori
CEO

Statement on the consolidated financial statements pursuant to article 154-bis of Legislative Decree No. 58/98

◊ We, the undersigned Silvio Pietro Angori, as CEO, and Roberta Miniotti, as officer in charge of financial reporting of Pininfarina S.p.A., also considering the provisions of article 154-bis, paragraphs 3 and 4, of Legislative Decree No. 58 of 24 February 1998, state that the administrative and accounting policies adopted for the preparation of the consolidated financial statements at 31 December 2024:

- are adequate in relation to the Group's characteristics, and
- were effectively applied during the year.

◊ We also state that the consolidated financial statements:

- are prepared in accordance with the International Financial Reporting Standards endorsed by the European Community pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
- are consistent with the accounting ledgers and records;
- are suitable to give a true and fair view of the financial position, financial performance and cash flows of the issuer and the group of companies included in the scope of consolidation.

The annual financial report includes a reliable analysis of the performance in the year and the state of affairs of the issuer and the group of companies included in the scope of consolidation, as well as a description of the main risks and uncertainties to which they are exposed.

28 April 2025

Silvio Pietro Angori
CEO

Roberta Miniotti
Officer in charge of financial reporting

Deloitte.

Deloitte & Touche S.p.A.
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Italia

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INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010
AND ARTICLE 10 OF THE EU REGULATION 537/2014

To the Shareholders of
Pininfarina S.p.A.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Pininfarina S.p.A. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to 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 December 31, 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). 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 Pininfarina S.p.A. (the "Company") in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Assessment of the appropriateness of the going concern assumption

Description of the key audit matter

In accordance with the provisions of the principles for preparing financial reporting, in preparing the consolidated financial statements, the Directors have assessed whether there are events and circumstances that indicate the existence of significant uncertainty that may give rise to doubts as to the ability of the Company and the Pininfarina Group to continue to operate as a going concern.

The Directors indicate that the cash forecasts prepared for the next 12 months show sufficient financial resources to meet the foreseeable cash outflows for operating requirements, as well as the payment of the short-term portions of the loans, relating to the last tranche of the loan that is the subject of the rescheduling agreement, equal to 12.8 million euros.

The Directors point out that, in the event of financial difficulties arising from operating requirements as well as higher than expected outlays connected with pending litigation, the Parent Company may find the necessary resources also through financial advances against receivables related to the main production contract in place.

For the purposes of their assessments, the Directors point out that they have also taken into account that, in March 2025, the controlling shareholder committed to providing financial support to Pininfarina S.p.A. for the 12 months following the date of approval of the financial statements. They indicate that, should financial requirements arise that are not covered by the expected operating cash flows, also in relation to the possible negative outcomes of litigation in progress and the associated outlays, the Parent Company will be able to meet them by using the financial support granted by the controlling shareholder.

In light of the evaluations above, the Directors concluded that the significant uncertainties highlighted in the previous financial reports no longer exists and prepared the consolidated financial statements of the Pininfarina Group as of December 31, 2024 on the going concern assumption.

In consideration of the significance of the aforementioned assessments made by the Directors for the purposes of determining the criteria for preparing the financial statements, as well as the relevance of the disclosures on going concern, we considered this assessment to be a key audit matter of the consolidated financial statements of the Pininfarina Group as December 31, 2024.

The paragraph "Going concern" in Note 2.1 "Basis for presentation" of the consolidated financial statements and the "Going concern" paragraph of the Directors' Report provide disclosure on the elements that the Directors have considered in their assessment of the going concern assumption.

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Audit procedures performed	As part of our audits, we have, among other things, carried out the following procedures: • meetings and discussions with the Company Management and analysis of the assessments made by the Directors and Management regarding the ability of the Company and the Group to continue as a going concern; • analysis of the 2025 budget approved by the Board of Directors on November 13, 2024 and the reasonableness of the underlying assumptions; • analysis of the cash flow forecasts prepared by the Directors for the 12 months following the date of approval of the draft financial statements and the reasonableness of underlying assumptions, including sensitivity analyses; • examination of variances between the forecast data and the actual results as of December 31, 2024 in order to assess the accuracy of the estimation process adopted by the Directors; • analysis of the letter of financial support issued to the Parent Company by the controlling shareholder and analysis of the financial capacity of this entity to meet its commitment; • review of the minutes of the meetings of the Company's governance bodies; • analysis of the calculations performed by the Directors when measuring covenants under existing loan agreements; • review of events after the reporting date; • review of the disclosures provided by the Directors in relation to the going concern assumption.
Estimation of provisions for risks and charges for legal disputes	
Description of the key audit matter	The consolidated financial statements of the Pininfarina Group as of December 31, 2024 include provisions for risks and charges for a total of Euro 4,133 thousand, of which Euro 3,400 thousand were allocated at the end of the year with reference to an ongoing legal dispute between the Parent Company and a Swiss company. In this regard, the Directors provide information on the developments that occurred at the beginning of 2025, when, in the second instance judgment, the Paris Court of Appeal awarded the Swiss counterparty the damages of around 6.2 million euros plus court costs.

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	The Parent Company, supported by its legal advisors, considered that there are sufficient elements to file an appeal to the Court of Cassation. However, in consideration of the second degree ruling and the related arguments, the Directors have updated their assessments of the probability of losing the case, and posted a provision for litigation of 3.4 million euros. The Directors report that the amount set aside represents their best estimate, based on current available information, of the possible charge from the ongoing dispute. The valuation of provisions for risks and charges allocated for existing disputes is a complex estimation activity, impacted by a high level of uncertainty, in which the Directors formulate estimates on the outcome of the disputes, the risk of losing and the timing of their closure. For these reasons, we considered the estimation of provisions for risks and charges for legal disputes to be a key audit matter of the Pininfarina Group's consolidated financial statements as of December 31, 2024. Note 18 provides information on the ongoing legal dispute and the related assessments made by the Directors.
Audit procedures performed	As part of our audits, we have, among other things, carried out the following procedures: • meetings and discussions with the Company's Management and Directors to obtain information on the process followed by them to develop the estimates in determining the provisions; • review of the legal opinions prepared by the consultants appointed by the Parent Company; • review responses to requests for information from the lawyers appointed by the Parent Company; • examination of the reasonableness of the criteria, methods and assumptions used for the purpose of determining the risk of loss and the provision for risks and charges; • analysis of the accounting treatment applied by the Parent Company, also with the support of our experts; • review of the minutes of the meetings of the Company's governance bodies; • review of events after the reporting date;

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- review of the disclosures provided by the Directors in relation to legal disputes.

Responsibilities of the Directors and the Audit Committee for the Consolidated Financial Statements

The Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05, and, within the terms established by law, for such internal control as the Directors determine 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 Directors are 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 they have identified the existence of the conditions for the liquidation of the Company or the termination of the business or have no realistic alternatives to such choices.

The Audit Committee is responsible for overseeing, within the terms established by law, 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 International Standards on Auditing (ISA Italia) 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 International Standards on Auditing (ISA Italia), 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;

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- 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 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 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 fair presentation;

- 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 audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, 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 applicable in Italy, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report.

Other information communicated pursuant to art. 10 of the EU Regulation 537/2014

The Shareholders' Meeting of Pininfarina S.p.A. has appointed us on May 13, 2022 as auditors of the Company for the years from December 31, 2022 to December 31, 2030.

We declare that we have not provided prohibited non-audit services referred to in art. 5 (1) of EU Regulation 537/2014 and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the Audit Committee referred to in art. 11 of the said Regulation.

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REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion on the compliance with the provisions of the Delegated Regulation (EU) 2019/815

The Directors of Pininfarina S.p.A. are responsible for the application of the provisions of the European Commission Delegated Regulation (EU) 2019/815 with regard to the regulatory technical standards on the specification of the single electronic reporting format (ESEF – European Single Electronic Format) (hereinafter referred to as the "Delegated Regulation") to the consolidated financial statements as at December 31, 2024, to be included in the annual financial report.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Delegated Regulation.

In our opinion, the consolidated financial statements as at December 31, 2024 have been prepared in XHTML format and have been marked up, in all material respects, in accordance with the provisions of the Delegated Regulation.

Some information contained in the notes to the consolidated financial statements, when extracted from XHTML format in an XBRL instance, may not be reproduced in the same way as the corresponding information displayed in the consolidated financial statements in XHTML format.

Opinions and statement pursuant to art. 14 paragraph 2, sub-paragraphs e), e-bis) and e-ter) of Legislative Decree 39/10 and pursuant to art. 123-bis, paragraph 4, of Legislative Decree 58/98

The Directors of Pininfarina S.p.A. are responsible for the preparation of the report on operations and the report on corporate governance and the ownership structure of Pininfarina Group as at December 31, 2024, including their consistency with the related consolidated financial statements and their compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations and of some specific information contained in the report on corporate governance and the ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 with the consolidated financial statements;
- express an opinion on compliance with the law of the report on operations and of some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98;
- make a statement about any material misstatement in the report on operations and in some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98.

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In our opinion, the report on operations and the specific information contained in the report on corporate governance and the ownership structure are consistent with the consolidated financial statements of Pininfarina Group as at December 31, 2024.

In addition, in our opinion, the report on operations and the specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Santo Rizzo
Partner

Turin, Italy
April 29, 2025

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

PININFARINA S.P.A.

SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2024

STATEMENT OF FINANCIAL POSITION

(EUR'000)	Notes	31 Dec. 2024	of which: with related parties	31 Dec. 2023	of which: with related parties
ASSETS					
Non-current assets					
Property, plant and equipment	(4)	**35,453**		31,030	
Right-of-use assets	(5)	**1,010**		637	
Intangible assets	(6)	**715**		606	
Equity-accounted investments	(7)	**11,442**		12,762	
Deferred tax assets	(18)	**-**		-	
Non-current financial assets	(8)	**2,978**	**2,978**	2,810	2,810
Total non-current assets		**51,598**	**2,978**	47,845	2,810
Current assets					
Inventories	(9)	**820**		419	
Contract assets	(19)	**964**		1,146	
Current financial assets	(8)	**-**	**-**	-	-
Trade and other receivables	(10)	**15,878**	**5,149**	27,782	4,795
Cash and cash equivalents	(11)	**18,053**		21,867	
Total current assets		**35,715**	**5,149**	51,214	4,795
Assets held for sale		**-**		-	
TOTAL ASSETS		**87,313**	**8,127**	99,059	7,605
EQUITY AND LIABILITIES					
Equity					
Share capital	(12)	**56,466**		56,466	
Other reserves	(12)	**50,277**		46,886	
Losses carried forward	(12)	**(58,202)**		(55,475)	
Loss for the year	(12)	**(4,834)**		(2,779)	
TOTAL EQUITY		**43,708**	**-**	45,098	-
Non-current liabilities					
Non-current lease liabilities	(5)	**755**		520	
Other non-current financial liabilities	(13)	**-**		11,175	
Deferred tax liabilities	(18)	**666**		247	
Employee benefits	(14)	**3,391**		2,739	
Total non-current liabilities		**4,812**	**-**	14,681	-
Current liabilities					
Current lease liabilities	(5)	**307**		170	
Other current financial liabilities	(13)	**12,087**	**-**	3,578	-
Other current liabilities	(15)	**5,120**		5,189	
Trade payables	(16)	**11,834**	**160**	12,888	223
Trade payables	(19)	**5,194**	**67**	16,397	124
Contract liabilities		**87**		132	
Provisions for risks and charges	(17)	**4,164**		926	
Total current liabilities		**38,793**	**227**	39,280	347
TOTAL LIABILITIES		**43,605**	**227**	53,961	347
TOTAL EQUITY AND LIABILITIES		**87,313**	**227**	99,059	347

Pursuant to Consob Resolution No.15519 of 27 July 2006 an ad hoc statement of financial position showing related party transactions has not been prepared as these are already shown in the consolidated statement of financial position. As for transactions with other related parties, such as directors and statutory auditors, the caption Trade payables includes fees for the year amounting to EUR 78,310.

STATEMENT OF PROFIT OR LOSS

(EUR'000)	Notes	31 Dec. 2024	of which: with related parties	31 Dec. 2023	of which: with related parties
Revenue from sales and services	(19)	**63,658**	**4,396**	63,887	10,856
Other income	(20)	**237**	**-**	2,852	-
TOTAL REVENUE		**63,895**	**4,396**	66,739	10,856
Purchases, services and other variable production costs	(21)	**(27,471)**	**(570)**	(30,642)	(622)
Other operating expense	(22)	**(7,609)**	**(196)**	(7,267)	(2)
Personnel expense	(23)	**(25,227)**	**-**	(23,811)	-
Amortisation and depreciation	(24)	**(2,917)**	**-**	(2,631)	-
Decreases in/(Additions to) provisions	(25)	**(3,338)**		(488)	
Net impairment reversals (write-downs) of Trade and other receivables	(26)	**(1,611)**		(895)	
Net impairment reversals (losses) of property, plant and equipment, intangible assets and right-of-use assets	(27)	**-**		(102)	
TOTAL EXPENSE		**(68,173)**	**(766)**	(65,836)	(624)
OPERATING LOSS		**(4,278)**		903	
Financial income	(28)	**478**	**108**	140	65
Financial expense	(29)	**(1,080)**		(1,221)	
Gains/(Losses) on equity investments	(7)	**(769)**	**467**	(3,013)	548
LOSS BEFORE TAXES		**(5,649)**		(3,191)	
Income taxes	(18)	**815**		412	
LOSS FOR THE YEAR		**(4,834)**		(2,779)	

Pursuant to Consob Resolution No. 15519 of 27 July 2006, the effects of related party transactions on the statement of profit or loss of Pininfarina S.p.A. are shown in the statement above and in Note 33.

STATEMENT OF COMPREHENSIVE INCOME

(EUR'000)	31 Dec. 2024	31 Dec. 2023
LOSS FOR THE YEAR (A)	**(4,834)**	(2,779)
Actuarial gains/(losses) on defined-benefit plans	**53**	29
Change in fair value of investments in other entities carried at fair value	**(84)**	22
Revaluation of the Historical Collection	**4,820**	2,834
Tax effect	**(1,345)**	(791)
Post-tax other comprehensive income that will not be reclassified to profit or loss (B)	**3,444**	2,094
Gains/(losses) from translation of financial statements of foreign operations	**-**	-
Post-tax other comprehensive income (loss) that will be reclassified to profit or loss (C)	**-**	-
COMPREHENSIVE INCOME (EXPENSE) (A) + (B) + (C)	**(1,390)**	(685)

STATEMENT OF CHANGES IN EQUITY

(EUR'000)	Share capital	Other reserves	Losses carried forward	Profit/(Loss) for the year	TOTAL EQUITY
At 31 December 2022	**56,466**	**44,822**	**(49,485)**	**(6,020)**	**45,783**
Appropriation of prior year's loss	-	-	(6,020)	6,020	-
Comprehensive income/(expense) for the year	-	2,065	29	(2,779)	(685)
At 31 December 2023	**56,466**	**46,886**	**(55,475)**	**(2,779)**	**45,098**
Appropriation of prior year's loss	-	-	(2,779)	2,779	-
Comprehensive income/(expense) for the year	-	3,391	53	(4,834)	(1,390)
At 31 December 2024	**56,466**	**50,277**	**(58,202)**	**(4,834)**	**43,708**

STATEMENT OF CASH FLOWS

(EUR'000)	31 Dec. 2024	of which: with related parties	31 Dec. 2023	of which: with related parties
A) CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the year	**(4,834)**		(2,779)	
Adjustments for:				
Income taxes	**(815)**		(412)	
Gains/(losses) on equity-investments	**769**	**769**	3,013	(548)
Net financial expense	**602**	**(108)**	1,081	(65)
Amortisation and depreciation	**2,917**		2,631	
Decreases in/(Additions to) provisions for risks and charges	**3,338**		488	
Impairment (reversals) write-downs of Trade and other receivables	**1,611**		895	
Impairment (reversals) losses of property, plant and equipment, intangible and right-of-use assets	**-**		102	
(Gains)/losses on disposal of assets	**(191)**		(2,426)	
Other adjustments	**893**		639	
Cash generated from operating activities before changes in working capital	**4,289**		3,232	
(Increase)/Decrease in contract assets	**182**		533	
(Increase)/Decrease in Trade and other receivables	**10,293**	**(354)**	(12,692)	(1,531)
Increase/(Decrease) in trade payables	**(1,054)**	**(63)**	2,838	181
Increase/(Decrease) in contract liabilities	**(11,203)**	**(57)**	10,850	-
(Increase)/Decrease in other working capital items	**(470)**		536	
Cash generated from (used in) operating activities	**2,037**		5,297	
Interests received / (Interest paid)	**342**		(86)	
(Income taxes paid)	**(155)**		-	
(Utilisations of provisions for risks and charges and employee benefits)	**(277)**		(137)	
TOTAL CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)	**1,947**		5,074	
B) CASH FLOWS FROM INVESTING ACTIVITIES				
(Additions to intangible assets)	**(360)**		(175)	
(Additions to property, plant and equipment)	**(1,976)**		(2,634)	
(Additions to equity investments)	**-**	**-**	(1,200)	(1,200)
Sales of property, plant and equipment and intangible assets	**191**		6,390	
Dividends received	**467**	**467**	548	548
TOTAL CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)	**(1,678)**		2,929	
C) CASH FLOWS FROM FINANCING ACTIVITIES				
(Repayment of financial liabilities)	**(3,586)**		(3,578)	
(Payment of lease liabilities)	**(329)**		(240)	
(Change in financial assets)	**(168)**	**(168)**	(530)	(530)

TOTAL CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	**(4,083)**	(4,348)
EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS (D)	**-**	-
CHANGE IN CASH AND CASH EQUIVALENTS (E = A+B+C+D)	**(3,814)**	3,655
Cash and cash equivalents at beginning of year (F)	**21,867**	18,212
CASH AND CASH EQUIVALENT AT END OF YEAR (E+F)	**18,053**	21,867

Pursuant to Consob Resolution No. 15519 of 27 July 2006, the effects of transactions with related parties of Pininfarina S.p.A. relate to the ultimate Parent PF Holdings B.V., entities of the Mahindra Group, subsidiaries and associates Goodmind S.r.l. and Signature S.r.l., and are disclosed in Note 33 to the separate financial statements.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

1 - GENERAL

The core business of Pininfarina S.p.A. (the “Company” or the “Parent”) is based on comprehensive partnerships with carmakers. Operating as a global partner enables it to work with customers through the entire process of developing new products, including design, engineering, development, industrialisation and manufacturing, or to provide support separately during any one of these phases with the utmost flexibility.

Pininfarina S.p.A., the Group’s Parent, is listed on the Italian Stock Exchange. Its registered office is in Turin, Via Raimondo Montecuccoli 9.

Market investors own 21.16% of its share capital, including an individual who holds 5.81%, with the remaining 78.84% held by the following shareholders:

- PF Holdings B.V. 78.82%
- treasury shares held by Pininfarina S.p.A. 0.02%.

At the reporting date, PF Holdings B.V. is controlled by Tech Mahindra Limited, which holds 60% of its capital, with the remaining 40% held by Mahindra & Mahindra Limited.

an Indian company listed on the National Stock Exchange of Mumbai (India), is a public company specialising in IT services and solutions. It is not controlled by any major shareholder. Mahindra & Mahindra Limited’s interest therein was equal to 26% at the reporting date.

Mahindra & Mahindra Limited is a company incorporated under Indian law, with registered office in India, whose shares are listed on the Indian National Stock Exchange. It is specialised in the production of cars, commercial vehicles, buses and tractors.

Despite being directly controlled by PF Holdings B.V., which is part of the Mahindra Group, Pininfarina S.p.A. is not subject to direction and coordination as defined in article 2497 and following articles of the Italian Civil Code. PF Holdings B.V. is simply a vehicle incorporated under Dutch law without an operating structure. There is no authorisation or reporting procedure in place that Pininfarina S.p.A. should follow in the relationships with its parent and, therefore, it has full autonomy to define its strategic and operating objectives, since it has (i) a structured organisation able to perform all business and corporate activities, (ii) its own distinct strategic and financial planning process and (iii) the ability to make proposals about how to conduct and develop its business.

The separate financial statements are presented in euro, which is the functional and presentation currency of Pininfarina S.p.A..

Amounts are shown in thousands of euro, unless stated otherwise.

These separate financial statements were approved by the Board of Directors of Pininfarina S.p.A. on 28 April 2025. They were authorised for publication in accordance with law provisions.

2 - BASIS OF PREPARATION

2.1 Basis of presentation

The separate financial statements at 31 December 2024 are prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and endorsed by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/2005.

IFRS comprises International Financial Reporting Standards, International Accounting Standards (“IAS”), all interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”), previously called the Standing Interpretation Committee (“SIC”), endorsed by the European Commission as of the date of the Board of Directors’ meeting convened to approve the consolidated financial statements and set out in the relevant Regulations of the European Union published as of that date.

The separate financial statements are prepared in accordance with the general principle of historical cost, except for those items that under IFRS must be measured at fair value, listed in Note 2.2 “Material accounting policies”.

The accounting policies adopted to prepare these separate financial statements at 31 December 2024 are the same as those used in the preparation of the separate financial statements at 31 December 2023 having regard to what is reported in Note 2.3 “New IFRS standards, amendments and interpretations”.

In accordance with IAS 1 - Presentation of financial statements, the separate financial statements comprise the following:

- Statement of financial position, in which current and non-current assets and liabilities are classified separately.
- Statement of profit or loss and Statement of comprehensive income, presented as two separate statements in which costs are classified by nature.
- Statement of cash flows, presented in accordance with the indirect method, as allowed by IAS 7 – Statement of cash flows.
- Statement of changes in equity.
- Notes to the separate financial statements.

The above statements present the prior year’s (or corresponding period’s) figures as comparatives. Whenever during the year under consideration changes are made for a better presentation of the Company’s financial position, financial performance and cash flows, the comparative figures are reclassified accordingly to ensure comparability.

Moreover, as required by Consob Resolution No. 15519 of 28 July 2006, the Group presents the following information in separate schedules:

- The net financial position, with a breakdown of the main components and balances with related parties (Note 36).
- the effects of non-recurring events or transactions, i.e., those transactions or events that are not repeated frequently in the ordinary course of business (Note 36).

Related party transactions are presented separately in the statement of financial position and in the statement of profit or loss and are disclosed specifically in Note 35.

Related party transactions are presented separately in the statement of financial position and in the statement of profit or loss and are disclosed specifically in Note 33.

Going concern

The year 2024 was characterised by the Group's positive performance, which resulted in a slight increase in revenue and gross operating profit compared with the previous year. The Group, however, again reports an operating loss and a net loss, whose values were lower than expected mainly due to provisions and non-cash write-downs, which, in particular, negatively impacted the results of the Parent, Pininfarina S.p.A..

With regard to the year 2025, the climate of uncertainty that affected the automotive industry in the second half of 2024 has involved a review of the product strategies of the world's major carmakers resulting in the suspension or slowdown of programmes to the detriment of the entire automotive supply chain.

This also applies to the market in which the Company and the Group operate, where demand for certain services directly connected with the launch of new models has slowed down.

In line with previous years and in light of the above, the Group remains focused on identifying the actions necessary to pursue the following objectives:

- creating the conditions for restoring the Group’s ability to generate consistent profits;
- safeguarding the level of capitalisation required by law and by agreements with credit institutions;
- maintaining adequate financial resources to meet the Group's financing requirements.

Although a certain stability in business opportunities can be seen in some geographic areas, the actual figures for the 2024 financial year confirm the need to continue, also with the support of external advisors, initiatives aimed

at improving profit margins and sales volumes and containing direct costs and overheads that are necessary to ensure the generation of financial resources and return to operating profit in a short timeframe.

In addition, the Company carefully monitors its equity due to the need to comply with the provisions of the Italian Civil Code on safeguarding share capital, as well as consolidated equity for the purpose of compliance with the only financial covenant in the current debt restructuring agreement with the lenders, which provides for a minimum consolidated equity value of EUR 30 million. Under the terms of the agreement, this is verified on 31 March of each year (at 31 March 2024 and, based on the pre-actual figures at 31 March 2025, the covenant was complied with).

With regard to liquidity, the Company's net financial position at 31 December 2024 was net assets of EUR 7.9 million, which includes cash and cash equivalents of EUR 18.1 million, receivables from related parties of EUR 3.0 million and current financial debt of EUR 12.1 million (stated at amortised cost). It should be noted that cash and cash equivalents include a portion equal to EUR 1.2 million that is related to advances received against contracts in progress (recognised as contractual liabilities) and therefore is effectively committed to the fulfilment of contractual obligations to customers.

It should be noted that non-current financial debt relates to the last tranche of the loan that is the subject of the rescheduling agreement, equal to EUR 12.8 million. This debt, maturing at the end of 2025, is fully guaranteed by the Mahindra Group, which has issued an on demand guarantee in favour of the lenders in the event that Pininfarina S.p.A. is unable to meet its obligations.

The cash flow forecasts prepared by the directors for the next 12 months show that the financial resources available at the Parent and in the Group at 31 December 2024 would be sufficient to meet the foreseeable cash outflows for operating requirements, including the remaining cost for the closing of the liquidation process of Pininfarina Engineering, expected by the end of the financial year 2025, as well as the payment of loan instalments due in the short term.

In the event of financial difficulties arising from operating requirements as well as higher than expected outlays connected with litigation pending, the Parent would also be able to raise the necessary resources through financial advances against receivables related to the main production contract in place.

For the purposes of their assessments, the directors also took into account the fact that, as previously stated, in March 2025 the controlling shareholder committed to providing financial support to the Company for the 12 months following the date of approval of the financial statements. Consequently, should financing requirements arise that are not covered by the estimated future operating cash flows, also in relation to the possible negative outcomes of litigation in progress and the associated outlays, the Company will be able to meet them by using the financial support granted by the controlling shareholder.

In light of the above, the directors have therefore concluded that the significant uncertainties highlighted in previous reports no longer exist and have used the going concern assumption in preparing these separate financial statements.

2.2 Material accounting policies

Property, plant and equipment

Property, plant and equipment and other items used in production are recognised at purchase or production cost less accumulated depreciation and impairment losses, if any, except for land, which is not depreciated.

Cost includes all costs that can be directly attributed to the purchase, i.e., those incurred to bring the asset to the place and conditions necessary for its operation.

Depreciation of buildings and other generic assets is calculated on a straight-line basis, in order to allocate their residual carrying amounts over their estimated useful lives.

The depreciation rates applied to each asset category are set out below:

Category	Useful life (years)	
	Bairo facility	**Other facilities**
Land	**Indefinite**	**Indefinite**
Buildings	50	33
Machinery	20	5/10
Plant	20	10
Furniture and fixtures	10	8
IT equipment	-	5
Historical collection	-	Indefinite
Other	**-**	**5**

Land is recognised separately and is not depreciated but tested for impairment whenever the Group identifies indicators that the carrying amount exceeds the recoverable amount. Subsequent costs are capitalised only if it is probable that they will generate future economic benefits and their amount can be determined reliably. Gains and losses on disposal, calculated as the difference between the asset's carrying amount and sales price, are recognised in profit or loss. In these notes, an impairment loss is the amount recognised to adjust an asset's carrying amount to its recoverable amount.

Property, plant and equipment also includes the cars of the Pininfarina Historical Collection, measured in accordance with the revaluation model under IAS 16 which provides for the carrying amount of an asset to be adjusted to its fair value at the reporting date and for fair value to be remeasured at regular intervals to ensure there is never a material difference between the asset's reporting-date fair value and its carrying amount at the same date.

In consideration of their nature and of the impossibility of determining an accurate useful life, assets belonging to the Historical Collection are not depreciated.

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 it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lessee accounting model

In accordance with IFRS 16, as a lessee, the Company recognises a right-of-use asset at the commencement date (the date on which the underlying asset becomes available for use). The right-of-use asset is measured at cost, less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. The cost of a right-of-use asset includes the lease liability, the initial direct costs incurred and any 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 from the lease commencement date over their useful life or until the end of the lease term, if earlier. If ownership of the underlying asset is transferred to the Company at the end of the lease term or the cost of the right-of-use asset reflect the fact that it is expected that the Company will exercise a purchase option, a right-of-use asset is depreciated from the commencement date to the end of the useful life of the underlying asset.

In accordance with IFRS 16, as a lessee, the Company recognises its lease liabilities separately under financial liabilities at the present value of the lease payments that are not paid at the commencement date. 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 payable under residual value guarantees. They also include the exercise price of a purchase option if the Company is reasonably certain to exercise that option.

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, including IT equipment. It recognises the lease payments associated with these leases as

an expense on a straight-line basis over the lease term.

Lessor accounting model

As a lessor, at inception of each lease, the Company determines whether the lease is a finance lease or an operating lease. If the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset, it is classified as a finance lease; if not, it is classified as an operating lease. As part of this assessment, the Group applies IFRS 15 to allocate the contract consideration. The Company recognises lease payments from operating leases as income on a straight-line basis over the lease term under Other income.

Intangible assets

The Company recognises an intangible asset only if it is an identifiable and controllable asset which is expected to generate future economic benefits and its cost can be measured reliably.

Intangible assets with finite lives are measured at acquisition, production or appraised cost, less any accumulated amortisation and impairment losses. They are amortised over their estimated useful lives and amortisation commences when an asset is available for use. The useful life is reassessed annually and any changes thereto are made prospectively.

Indefinite-lived intangible assets are not amortised but tested for impairment annually, or more frequently where necessary, even when there are no indicators of impairment. The test is performed at the level of the cash-generating unit (CGU) to which the intangible asset is allocated.

Software and other similar licences are recognised as assets at cost, including the costs incurred to make them ready for use. They are amortised over their estimated useful lives, which range between three and five years. Costs incurred to maintain software programs are immediately recognised in profit or loss. Those incurred to develop identifiable software that is controlled by the Group, which is very likely to produce future economic benefits exceeding the costs incurred, if any, are recognised as intangible assets and amortised over their useful life, which does not exceed three years.

Impairment of non-financial assets

Indefinite-lived intangible assets, including goodwill, are tested for impairment at least annually and whenever there are indicators of impairment. Property, plant and equipment and intangible assets with a finite useful life are tested for impairment only if indicators are identified that their carrying amount may exceed their recoverable amount. The recoverable amount is the higher of an asset's (or cash-generating unit's) fair value less costs to sell and its value in use, which is calculated as the present value of the future cash flows expected to be derived from the asset, to be based on reasonable and supportable assumptions that represent management's best estimate of future economic conditions. The discount rate used reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. This rate for the Company is the weighted average cost of capital ("WACC").

When the carrying amount of an asset exceeds its recoverable amount, the Company recognises the difference as an impairment loss in profit or loss. If the reasons for the impairment loss cease to exist in future years, the impairment loss is reversed up to the asset's carrying amount before the impairment loss was recognised, less amortisation/depreciation. Impairment losses on goodwill can never be reversed. Cash-generating units are identified in line with the Company's organisational structure and business, by grouping those assets that are able to generate independent cash inflows, as required by IAS 36 - Impairment of assets.

In detail, the CGUs/businesses identified by the Company are the following:

- "Other design-related activities", which includes all other activities related to design currently performed by the Company. Goodwill was allocated to this CGU;
- Activities referred to the Wind Tunnel;
- The property and related activities at the Bairo Canavese site, currently used for logistics purposes;

- The equity investment in Pininfarina Engineering S.r.l. in liquidation, whose equity value corresponds to the equity value of its investment in Pininfarina Deutschland GmbH;

- The equity investment in Pininfarina Shanghai Co. Ltd;

- The equity investment in Pininfarina of America Corp.

For impairment testing purposes, when assessing the recoverability of the carrying amount of owned real estate complexes the Company makes reference to fair value, measured using market values available from the Land Registry, and possibly appraisals prepared by independent experts.

Equity investments

Equity investments include investments in subsidiaries and associates, as well as other equity investments measured at fair value through other comprehensive income (FVOCI).

Subsidiaries are entities over which Pininfarina S.p.A. exercises control, as defined by IAS 27 - Separate financial statements and IFRS 10 – Consolidated financial statements. An investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the separate financial statements of Pininfarina S.p.A. investment sin subsidiaries are measured at acquisition cost, including any direct transaction costs.

An associate is an entity over which the Company has significant influence, which is presumed to exist when it holds between 20% and 50% of its voting power. Investments in associates are initially recognised at cost and are subsequently measured using the equity method described below.

The carrying amount of these equity investments is equal to their equity that is adjusted, where necessary, to reflect the application of IFRS and includes the higher values allocated to assets and liabilities and any goodwill identified upon acquisition.

The Company’s share of the associates’ profit or loss is recognised from the date on which the Company commences to exercise significant influence up to when the significant influence ceases.

The Company’s share of the unrealised profits or losses arising from transactions between the Company and an equity-accounted investee is eliminated. Unrealised losses are eliminated except when they reflect an impairment loss.

When there is objective evidence of an impairment, the investment’s carrying amount is compared to its recoverable amount, being the higher of fair value less costs to sell and value in use. Since the Company’s subsidiaries and associates are not quoted in an active market, fair value is calculated on the basis of a binding sale agreement. Value in use is equal to the present value of the investee’s future cash flows, discounted at a rate that reflects the specific risks of the sector where the subsidiary operates, net of its financial position (debt). Cash flows are forecast based on reasonable and supportable assumptions that represent the best estimate of future economic conditions. The discount rate used reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. The risk arising from possible losses exceeding the Company’s share of the investee’s equity is recognised through a specific provision to the extent that Pininfarina S.p.A. is committed to complying with the legal, contractual or constructive obligations of the investee or to cover its losses.

If the reasons giving rise to the recognition of an impairment loss cease to exist in future years, a reversal up to the investment’s original cost is recognised in profit or loss.

Inventories

Inventories are recognised at the lower of cost and net realisable value, which is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Under IAS 2 - Inventories, cost is calculated using the FIFO (“first-in first-out”) method. The cost of finished goods and semi-finished products

includes design/engineering, raw materials and direct labour costs, other direct costs and other indirect costs that can be directly allocated to the production activity based on normal production capacity. This cost configuration does not include borrowing costs. Based on the assets' expected future use and net realisable value, materials, finished goods, spare parts and other obsolete or slow-moving items are written down through an allowance for obsolescence. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated sales and distribution costs.

Financial assets and liabilities

The Company initially measures financial assets at fair value plus, except in the case of financial assets at fair value through profit or loss, transaction costs.

IFRS 9 classifies financial assets into three main categories: at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVTPL).

The classification is based on either the business model adopted by the Company to manage the asset or the SPPI (solely payments of principal and interest) test, if the financial instruments' contractual cash flows solely comprise payments of principal and interest.

On initial recognition, a financial asset is classified as measured at amortised cost, FVOCI or FVTPL.

Trade receivables and payables

Trade and other receivables are measured at amortised cost, using the effective interest method, less any impairment losses, except for assets held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets ("hold to collect and sell model").

Those receivables are measured at fair value through other comprehensive income. Impairment losses are recognised using the simplified approach provided for by IFRS 9, by calculating the assets' lifetime expected credit losses.

Trade payables and other financial liabilities are initially recognised at fair value, less directly attributable transaction costs. They are subsequently measured at amortised cost, using the effective interest method. Foreign currency items are translated into euro at the closing date and any resulting exchange gains or losses are recognised in profit or loss.

Financial liabilities: classification, subsequent measurement, 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, it is a derivative 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 subsequently measured at amortised cost using the effective interest method. Interest expense and exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, on-demand bank deposits and other investments that may be sold within three months.

Employee benefits

(a) Pension plans

Employees of Pininfarina S.p.A. participate in defined contribution plans and defined benefit plans. The latter are a portion of the Italian post-employment benefits provided for by article 2120 of the Italian Civil Code ("Trattamento di fine rapporto") and, therefore, do not comprise any plan assets. Defined contribution

plans are formalised plans for post-employment benefits that require that the Group pay contributions to an insurance company or a pension fund. By doing this, the Group does not have any other legal or constructive obligation to pay additional contributions should the fund not have sufficient resources to pay all benefits earned by employees over their current and past service periods when the benefits become due. These contributions paid in exchange for the service rendered by employees are recognised as an expense on an accrual basis. This category includes the payments made to the Cometa and Previp funds.

The Company calculates the present value of plan liabilities and the service cost of defined benefit plans using the projected unit credit method, based on an actuarial calculation that uses demographic (mortality rate and turnover) and financial (discount rate and future salary and benefit increases) variables. The post-employment benefits of the Company's employees are classified as follows in accordance with IAS 19 - Employee benefits:

- a defined benefit plan for the portion vested prior to enactment of the 2007 Finance Act (Law No. 296 of 27 December 2006);

- a defined contribution plan for the portion vesting thereafter.

At the annual and half year reporting dates, the Group calculates the benefits using an actuarial valuation. The accumulated actuarial losses and gains arising from changes in estimates are recognised in a specific caption of other comprehensive income. Any curtailment or extinguishment of a plan liability is immediately recognised in profit or loss.

(b) *Incentives, bonuses and profit-participation plans*

The Company recognises a cost and a liability for its obligations for incentives, bonuses and profit-participation plans. The liability is recognised when the Company has a legal or constructive obligation, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

In 2023, the Company implemented a long-term monetary incentive plan (LTI Plan) for the period from 1 January 2023 to 31 December 2027.

The LTI Plan provides for a monetary bonus, whose amount may vary depending on the level of achievement of the plan objectives and whose vesting periods end on 31 December 2025 (2025 payout) and 31 December 2027 (2027 payout).

Given its nature, under IAS 19, the LTI Plan is a long-term benefit plan and is, therefore, measured using actuarial techniques.

(c) *Termination benefits*

The Company recognises a liability and personnel expense when it is demonstrably committed to terminating the employment of an employee or group of employees before the normal retirement date or to providing termination benefits as a result of an offer made in order to encourage voluntary redundancy. The Company is demonstrably committed to a termination when, and only when, it has a detailed formal plan for the termination and has no realistic possibility of withdrawal.

Provisions for risks and charges, contingent liabilities

Provisions for risks and charges include specific costs and losses whose existence is certain or probable but whose amount or due date is unknown at the reporting date. Provisions are recognised when all the following conditions are met: (i) the Company has a present (legal or constructive) obligation as a result of a past event; (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; (iii) a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation or transfer it to third parties at the reporting date. The Group recognises expected restructuring costs in the period when a restructuring plan is formalised only if it has raised a valid expectation in those affected that it will carry out the restructuring. Liabilities included in provisions for risks and charges are periodically adjusted for changes in estimated costs, expected timing and

discount rates. Changes in estimates of provisions are recognised in the same caption of the statement of profit or loss as the related addition.

Information about contingent liabilities, i.e.: (i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; (ii) a present obligation that arises from past events, whose amount cannot be measured reliably or whose settlement will probably not require an outflow of resources embodying economic benefits, is disclosed in the notes to the separate financial statements.

Revenue from sales and services

Revenue is measured based on the consideration specified in a contract with a customer.

The Company recognises revenue when it transfers control over a good or service to a customer.

In its contracts with customers, the Company has identified the following performance obligations:

(a) Design, engineering and operations services and (b) Architecture and design services

In design services, products/services are tailored to a customer's specifications and if a contract is terminated by the customer, then the Company is entitled to reimbursement of the costs incurred up to the termination date, plus a reasonable margin.

Invoices are issued according to contractual terms and are usually payable within 30 days. Unbilled amounts are recognised as contract assets.

Revenue and associated costs are recognised over time - i.e., before the goods/services are made available to the customer. Progress is determined based on the cost-to-cost method.

(b) Royalties

Royalties are substantially related to the licence to use the Pininfarina trademark on design products manufactured by the Company. Even though customers do not control the trademark, they benefit therefrom. This shared benefit has led the Group to conclude that this is a "right to access" rather than a "right to use" the trademark and, therefore, the related revenue is recognised over time.

(c) Lease income

Lease income arises from services whereby the customer simultaneously receives and uses the related benefits as the Company provides them. Accordingly, the related revenue is recognised over time.

(d) Other minor performance obligations

The Company determines whether it is more appropriate to recognise revenue from other minor performance obligations over time or at a point in time on a case-by-case basis.

Incremental costs of obtaining a contract

The Company recognises the incremental costs of obtaining a contract with a customer as an asset if it expects to recover those costs.

The incremental costs of obtaining a contract are those costs that an entity incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained (for example, a sales commission).

As a practical expedient, the Company recognises the incremental costs of obtaining a contract as an expense when incurred if the amortisation period of the asset that the entity otherwise would have recognised is one year or less.

An asset recognised for incremental costs of obtaining a contract is amortised systematically on a basis consistent with the transfer to the customer of the goods or services to which the asset relates.

Contract assets and liabilities

The Company presents a contract in the consolidated statement of financial position as a contract asset or a contract liability, depending on the relationship between the Company's performance and the customer's payment. It presents any unconditional rights to consideration separately as a receivable.

If the Company performs an obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, it presents the contract as a contract asset, excluding any amounts presented as a receivable. A contract asset is the Company's right to consideration in exchange for goods or services that it has transferred to a customer. The Company tests a contract asset for impairment in accordance with IFRS 9.

If a customer pays consideration, or the Company has a right to an amount of consideration that is unconditional (i.e., a receivable), before the Company transfers a good or service to the customer, the Company presents the contract as a contract liability when the payment is made or the payment is due (whichever is earlier). A contract liability is the Company's obligation to transfer goods or services to a customer for which it has received consideration (or an amount of consideration is due) from the customer.

Current taxes

Current taxes are recognised by the Company on the basis of its estimated taxable profit using the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date, taking into account any domestic tax consolidation arrangements, applicable exemptions and any tax assets.

2.3 New IFRS standards, amendments and interpretations

IFRS standards, amendments and interpretations applicable for reporting periods beginning on or after 1 January 2024

On 23 January 2020 and 31 October 2022, respectively, the IASB published "Classification of liabilities as current or non-current (Amendments to IAS 1)" and "Non-current liabilities with covenants (Amendments to IAS 1)". The amendments clarify how an entity classifies financial and other liabilities as current or non-current. They also improve the disclosures that an entity must provide when its right to defer settlement of a liability for at least 12 months is subject to meeting certain parameters (covenants). The adoption of the amendments had no significant effect on the Company's separate financial statements.

On 22 September 2022 the IASB published "Lease liability in a sale and leaseback (Amendments to IFRS 16)" which require a seller-lessee to subsequently measure lease liabilities arising from a leaseback in such a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The adoption of the amendment had no significant effect on the Company's separate financial statements.

On 25 May 2023 the IASB published "Disclosures: Supplier Finance Arrangements (Amendments to IAS 7 – Statement of Cash Flows and IFRS 7 – Financial Instruments)". The document requires an entity to provide additional information about its reverse factoring arrangements that would enable users to assess the effects of supplier financing arrangements on the entity's liabilities and cash flows, and to understand their impact on the entity's exposure to liquidity risk. The adoption of the amendment had no significant effect on the Company's separate financial statements.

IFRS standards, amendments and interpretations endorsed by the European Union but not yet mandatorily applicable and not adopted early by the Group at 31 December 2024

On 15 August 2023 the IASB published "Lack of Exchangeability (Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates)". The document requires an entity to apply a method consistent methodology to determine whether a currency is exchangeable into another and, when this is not possible, how to determine the exchange rate to be used and the related disclosures. The amendment will become effective for annual reporting periods beginning on or after 1 January 2025, but earlier application is permitted. The directors do not expect that the adoption of the amendment will have a significant effect on the Company's separate financial statements.

IFRS standards, amendments and interpretations not yet endorsed by the European Union

On 9 April 2024 the IASB published "IFRS 18 – Presentation and Disclosure in Financial Statements", which will replace IAS 1 – Presentation of Financial Statements. The new standard aims to improve the presentation of the primary financial statements and introduces significant changes with reference to the statement of profit or loss. In detail, the new standard requires:

- revenue and costs to be classified into three new categories (the operating, investing and financing categories), in addition to the income taxes and discontinued operations categories already present in the statement of profit or loss; and

- two new sub-totals to be presented: operating profit or loss and profit or loss before financing and income taxes (i.e. EBIT).

The new standard also:

- requires additional information about the performance indicators defined by management;

- introduces new criteria for aggregating and disaggregating information; and

- introduces certain changes to the statement of cash flows, including a requirement to use operating profit or loss as the starting point for the presentation of the statement of cash flows prepared using the indirect method, and the elimination of certain classification options of currently existing items (such as, for instance, interest paid, interest received, dividends paid and dividends received).

The new standard will become effective for annual reporting periods beginning on or after 1 January 2027, but earlier application is permitted. The directors are currently assessing the possible effects of the introduction of the new standard on the Company's separate financial statements.

On 30 May 2024 the IASB published "Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7". The document clarifies certain issues emerging from the post-implementation review of IFRS 9, including the accounting treatment of financial assets with environmental, social and corporate governance (ESG) and similar features (i.e. green bonds). In detail, the purpose of the amendments is to:

- clarify the classification of financial assets with variable returns linked to ESG targets and the criteria to be used for assessing the SPPI test;

- determine that the date when cash is delivered via an electronic transfer system is the settlement date of a liability. However, an entity may opt to derecognise a financial liability before cash is delivered at the settlement date when specific circumstances apply.

In addition, by these amendments the IASB introduced further disclosure requirements concerning specifically investments in equity instruments designated at FVOCI.

These amendments will become effective for annual reporting periods beginning on or after 1 January 2026. The directors do not expect that the adoption of the amendment will have a significant effect on the Company's separate financial statements.

On 18 July 2024 the IASB published "Annual Improvements Volume 11". The document includes clarifications, simplifications, corrections and modifications designed to improve the consistency of various IFRS Accounting Standards. The modified standards are:

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

- IFRS 7 – Financial Instruments: Disclosures, and related guidelines on the implementation of IFRS 7;

- IFRS 9 – Financial Instruments;

- IFRS 10 – Consolidated Financial Statements; and

- IAS 7 – Statement of Cash Flows.

These amendments will become effective for annual reporting periods beginning on or after 1 January 2026, but earlier application is permitted. The directors are currently assessing the possible effects of the introduction of the new standard on the Company's separate financial statements.

On 18 December 2024 the IASB published "Contracts Referencing Nature-dependent Electricity – Amendment to IFRS 9 and IFRS 7". The purpose of the document is to support entities in reporting the financial effects of contract to purchase electricity generated from renewable sources (frequently structured as Power Purchase Agreements). Under such contracts, the quantity of electricity generated and purchased may vary depending on uncontrollable natural conditions such as the weather. The IASB made narrow-scope amendments to IFRS 9 e IFRS 7, which include:

- clarifying the application of the 'own-use' requirements to this type of contract;
- permitting hedge accounting if these contracts are used as hedging instruments; and
- new disclosure requirements to enable users of financial statements to understand the effect of these contracts on a company's financial performance and cash flows.

The amendment will become effective for annual reporting periods beginning on or after 1 January 2026, but earlier application is permitted. The directors do not expect that the adoption of the amendment will have a significant effect on the Company's separate financial statements.

3 - USE OF ESTIMATES AND SIGNIFICANT JUDGEMENTS

Recoverable amount of property, plant and equipment, equity investments and intangible assets

The Company regularly reviews the carrying amounts of items of property, plant and equipment, equity investments and intangible assets that it owns or holds and uses and any assets available for sale whenever there is a trigger event.

Testing non-current assets for impairment is usually performed by estimating the cash flows expected from the use or the sale of the assets, which are discounted to present value using appropriate rates.

The estimates and assumptions used in those tests are based on the Company's current understanding of the development of the business of the various sectors in which it operates and on reasonable expectations of future market developments, which are subject to an inherent degree of uncertainty, including as a result of the persisting financial crisis and its effects on the international macroeconomic scenario. Even though the Company does not currently estimate that its non-current assets have incurred impairment losses other than those recognised in these financial statements, possible different developments of the economic conditions or different performances by group companies may result in amounts that are different from those originally estimated and in the recognition of impairment losses on certain non-current assets.

Reference should be made to Note 7 for information on estimated recoverable amounts and related impairment tests.

The Company measured the fair values of cars in its Historical Collection on the basis of appraisals prepared by qualified and independent companies. The experts determined the cars' fair values using the sales comparison approach, which could be used as information on a sufficient number of transactions to arrive at a reliable estimate of fair value is available. The Company reviews fair value periodically or when special events occur and, if necessary, adjusts the carrying amount.

Deferred tax assets and liabilities

Deferred tax assets and liabilities are measured on the basis of the Company's expectations for how the carrying amount of its assets will be recovered, considering, in particular, the probability that it will earn future taxable profits. Deferred tax assets and liabilities are measured on the basis of tax rates that are expected to be applicable when the assets will be realised or the liabilities will be extinguished, therefore based on tax rates or changes to tax laws that have been enacted by the reporting date.

In accordance with IAS 12, following the revaluation of its Historical Collection, the Company recognised the related deferred taxes. Specifically, any revaluation surplus increasing the carrying amount of those assets, being a taxable temporary difference, gave rise to deferred tax liabilities. On the other hand, when the carrying amount decreased, this

being a deductible temporary difference, the Company assessed whether it should recognise the related deferred tax assets.

Contract assets and liabilities

Given the business sectors in which it operates, the Company recognises contract costs and revenue using the percentage of completion method. Contract profits and losses are recognised in profit or loss on the basis of both the percentage of completion of the contract and the profits or losses expected over the entire life of the contract until its completion. Accordingly, in order to accurately recognise contract work in progress and profits or losses on works or services not yet completed, management is required to estimate the costs to complete contracts, contract variations, delays, extra costs and fines that may affect expected profits. In order to support these management estimates, the Company uses contract risk management and analysis methods to identify, monitor and quantify risks related to the performance of such contracts. The amounts recognised in the separate financial statements are management's current best estimates made using the above-mentioned methods.

Recoverability of trade receivables

The loss allowance covers the estimated credit losses on the Company's trade receivables. The Company estimates the credit losses on the basis of historical trends for trade receivables with a similar credit risk, current and historical past due amounts, write-offs and collections, as well as careful monitoring of the quality of its receivables portfolio and current and expected conditions of the economy and relevant markets. The loss allowance is proportionate to the size of both the specific risks of individual positions and a generic default risk of all trade receivables, prudently estimated by considering past losses and the perceived credit standing of customers in general.

With specific reference to positions with counterparties that are or have recently been affected by geopolitical or financial tensions, the carrying amounts are the best estimate at the reporting date made by management with the support of its legal experts, taking into account the solvency of said debtors.

Additions to provisions for risks and charges, contingent liabilities and contingent assets

Provisions for risks and charges are liabilities whose due date and amount are uncertain. They are measured on the basis of management's estimate of the costs to be incurred to extinguish the obligation at the reporting date.

Contingent liabilities and assets are not recognised in the separate financial statements in accordance with paragraphs 27 and 31, respectively, of IAS 37 – Provisions, contingent liabilities and contingent assets.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is an unrecognised possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Where necessary, the directors make their estimates also with the assistance of their legal advisors and experts.

Italian post-employment benefits ("Fondo Trattamento di Fine Rapporto")

Following the supplementary pension reform, the portion of Italian post-employment benefits vested before 1 January 2007 is considered to be a defined benefit plan in accordance with IAS 19 - Employee benefits. Under defined benefit plans, the amount of the benefit due to the employee upon termination of employment depends on different factors, such as age, seniority and remuneration. Despite being prudently estimated and based on internal historical figures, these estimated parameters may be subject to change.

The directors estimated the post-employment benefit obligation with the support of an independent expert included in the Italian Register of Actuaries.

4 – PROPERTY, PLANT AND EQUIPMENT

The net carrying amount of property, plant and equipment at 31 December 2024 was EUR 30.6 million (EUR 31.0 million at 31 December 2023) and changed as follows in the past two years:

(EUR'000)	Land	Buildings	Machinery	Plant	Furniture and fixtures	IT equipment	Historical collection	Other assets	Assets under construction	Total
Historical cost	12,002	64,967	6,071	68,305	2,390	4,994	-	684	350	159,763
Accumulated depreciation and impairment losses	(6,636)	(44,535)	(4,947)	(64,838)	(2,222)	(4,326)	-	(348)	0	(127,852)
Carrying amount at 31 December 2022	**5,366**	**20,432**	**1,124**	**3,467**	**168**	**668**	**-**	**336**	**350**	**31,911**
Changes in 2023										
Additions	-	382	120	1,461	145	174	-	115	237	2,634
Net sales	(1,010)	(2,917)	-	-	-	-	-	(37)	-	(3,964)
Reclassifications	-	-	-	249	-	-	-	13	(350)	(88)
Depreciation	-	(939)	(229)	(692)	(42)	(283)	-	(10)	-	(2,195)
Impairment reversals/(impairment losses)/Revaluations	-	-	-	-	-	-	2,749	(17)	-	2,732
Closing carrying amount	4,356	16,958	1,015	4,485	271	559	2,749	400	237	31,030
Historical cost	10,992	48,471	5,986	70,003	2,496	5,168	-	610	237	143,963
Accumulated depreciation and impairment losses	(6,636)	(31,513)	(4,971)	(65,518)	(2,225)	(4,609)	-	(210)	-	(115,682)
Carrying amount at 31 December 2023	**4,356**	**16,958**	**1,015**	**4,485**	**271**	**559**	**2,749**	**400**	**237**	**31,030**
Changes in 2024										
Additions	-	369	37	1,310	2	171	-	-	129	2,018
Net sales	-	-	-	-	-	-	-	-	-	-
Reclassifications	-	47	-	69	38	41	-	-	(237)	(42)
Depreciation	-	(951)	(238)	(876)	(57)	(219)	-	(32)	-	(2,373)
Impairment reversals/(impairment losses)/Revaluations	-	-	-	-	-	-	4,820	-	-	4,820
Other changes	-	1	-	(1)	-	-	-	-	-	-
Closing carrying amount	**4,356**	**16,424**	**814**	**4,987**	**254**	**552**	**7,569**	**368**	**129**	**35,453**
Historical cost	12,001	47,856	5,550	71,278	2,536	5,379	7,569	610	129	152,908
Accumulated depreciation and impairment losses	(7,645)	(31,432)	(4,736)	(66,291)	(2,282)	(4,827)	-	(242)	-	(117,455)
Carrying amount at 31 December 2024	**4,356**	**16,424**	**814**	**4,987**	**254**	**552**	**7,569**	**368**	**129**	**35,453**

Land and buildings totalling EUR 20.8 million at 31 December 2024 comprises the carrying amount of real estate complexes, i.e. the production facilities located in Bairo Canavese (TO), via Castellamonte 6, and the design and engineering site in Cambiano (TO), via Nazionale 30.

The Bairo Canavese production facility, with a carrying amount of EUR 10.5 million, including land and building of EUR 9.9 million and plant and other assets of EUR 0.6 million, is currently used for logistics purposes. The Company compared its carrying amount to its fair value calculated considering the facility's December 2024 appraised value, which was found to be slightly higher than its book value.

In May 2024 the Company completed the sale, for EUR 0.2 million, of an idle and unused property located in Beinasco (TO) that had already been fully written down.

All land and buildings located in Italy are owned by the Parent, Pininfarina S.p.A..

Property, plant and equipment also includes Plant and machinery for a total of EUR 5.8 million at 31 December 2024 comprising the plant and machinery at the Cambiano site, plant at the wind tunnel and electricity and heating systems at the Bairo Canavese site.

Additions for the year mainly relate to plant located at the Cambiano site.

Property, plant and equipment also includes the Historical Collection, equal to EUR 7,569 thousand. In 2024, appraisals by additional external professionals identified a series of new factors justifying the increase in value of one specific vehicle. In detail, it was found that this car is a unique example, highly coveted by collectors due to its rarity, exclusive design and its connection to the famous Pininfarina brand, as well as to the world of Formula 1. These aspects resulted in an adjustment to fair value of the carrying amount of this car, with an increase of EUR 4,750 thousand.

With respect to the "Other design-related activities" CGU, which comprises the Company's net invested capital excluding the assets at Bairo Canavese, the assets of the wind tunnel and equity investments, in consideration of the CGU's performance in 2024 and of the fact that the main assets of the CGU, to which no goodwill is allocated, are the land and buildings at Cambiano, for which a recent appraisal dated December 2024 confirmed that the fair values are higher, overall, than the respective carrying amounts, in line with last year the directors did not identify any impairment indicators and accordingly they did not test the CGU for impairment.

In consideration of its negative financial performance in 2024, the "Wind Tunnel" CGU was tested for impairment and found not to have become impaired. The value in use of the CGU was determined using the unlevered discounted cash flow method, through the calculation of the post-tax cash flows, derived from the 2025 budget and the 2026-2027 business plan approved by the Board of Directors on 13 November 2024, discounted to present value using a WACC of 7.77%. A growth rate of 1.0% was used in the calculation of the terminal value.

5 - RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Right-of-use assets

Right-of-use assets amounted to EUR 1.0 million at 31 December 2024 (EUR 0.6 million at 31 December 2023).

This caption, required by IFRS 16, presents the right to use underlying assets in accordance with the leases signed by the Company.

Lease liabilities

This caption, totalling EUR 1.1 million at 31 December 2024 (EUR 690 thousand at 31 December 2023), is broken down by maturity as follows:

(EUR'000)	Carrying amount at 31 Dec. 2024	Contractual cash flows	of which: due within one year	of which: due from one to five years	of which: due after five years
Lease liabilities	1,062	1,158	475	557	127

In 2024 the Company's lease payments totalled EUR 329 thousand.

Amounts recognised in profit or loss

(EUR'000)	2024	2023
Depreciation of right-of-use assets	**(293)**	(179)
Interest expense on lease liabilities	**(40)**	(34)
Lease expenses for short-term leases or leases of low-value assets	**(47)**	(76)
Total	**(380)**	(289)

6 - INTANGIBLE ASSETS

Intangible assets amounted to EUR 0.7 million at 31 December 2024, a slight increase on the previous year, after additions (and reclassifications) for EUR 0.4 million and amortisation for EUR 0.3 million.

7 - EQUITY INVESTMENTS

During 2024 equity investments changed as follows:

(EUR'000)	Subsidiaries	Associates	Oher companies	Total Equity investments
Opening balance	**11,626**	**714**	**422**	**12,762**
Additions	-	-	-	-
Impairment reversals/(losses) recognised in profit or loss	(1,246)	10	-	(1,236)
Impairment reversals/(losses) recognised in OTHER COMPREHENSIVE INCOME	-	-	(84)	(84)
Disposals	-	-	-	-
Other changes	-	-	-	-
Closing balance	**10,380**	**724**	**338**	**11,442**

Le equity investments in subsidiaries are detailed as follows:

(EUR'000)	Pininfarina Engineering S.r.l. in liquidation	Pininfarina Shanghai Co. Ltd	Pininfarina of America Corp.	Total Equity investments in subsidiaries
% held at beginning of year	100%	100%	100%	
Opening balance	**9,217**	**2,401**	**8**	**11,626**
Additions	-	-	-	-
Impairment reversals/(losses)	(1,246)	-	-	(1,246)
Disposals	-	-	-	-
Closing balance	**7,971**	**2,401**	**8**	**10,380**
% held at end of year	100%	100%	100%	
Net assets at 31 December 2024	8,032	260	3,998	
Net profit/(loss) for 2024	(1,325)	359	1,217	

Pininfarina Engineering S.r.l. in liquidation

The entity, set up in 2018, is 100% owned by Pininfarina S.p.A. and subject to its direction and co-ordination. At the October 2020 general meeting the owner resolved to wind it up.

At 31 December 2024 the assets of the subsidiary, which has been idle since the fourth quarter of 2020 and has no personnel, substantially comprise the investment in the subsidiary Pininfarina Deutschland, which mostly provides outsourced engineering services and whose key customers are the BMW, Porsche, Bosch, Daimler and Magna groups.

The German subsidiary closed the year 2024 with total revenue of EUR 15.1 million (EUR 15.2 million in 2023) and a loss for the year of EUR 1.6 million vs. EUR 1.8 million for the previous year.

In consideration of the negative financial performance for 2024 of Pininfarina Deutschland, the value of the equity investments of Pininfarina Engineering S.r.l. in liquidation in Pininfarina Deutschland GmbH and, indirectly, that of Pininfarina S.p.A. in Pininfarina Engineering S.r.l. in liquidation, were tested for impairment, which led to the recognition of an impairment loss of EUR 1,246 million (at both levels).

The business plan shows a significant increase in revenue over the period covered by the plan, as well as a significant increase in profit margins. Taking into account the fact that in the past few years business plan targets have not been met, and the objectives of the impairment test, and consistently with previous years, for impairment testing purposes management considered the explicit cash flows for the 2025-2027 three-year period.

The value in use of the indirect subsidiary Pininfarina Deutschland was determined using the unlevered discounted cash flow method by determining the post-tax cash flow based on the 2025 budget and the 2026-2027 business plan approved by the Board of Directors on 13 November 2024, discounted using a WACC rate of 9.72% that reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

The growth rate used to calculate the terminal value was equal to 2.0%, in line with inflation forecasts.

Given the German subsidiary's financial position, its net financial debt was calculated by also considering all trade payables to Pininfarina S.p.A., which are for the most part past due.

Consistently with previous tests, the calculation of the recoverable amount included the value of the subsidiary's contractual right to use the Pininfarina trademark in the German market.

Cash flows were forecast by the directors based on reasonable and supportable assumptions that represent their best estimate of future economic conditions.

Pininfarina Shanghai Co. Ltd

The year 2024 closed with revenue of EUR 6.6 million, a marked improvement on the EUR 3.1 million of 2023, and profit of the year of EUR 0.4 million, vs. a loss of EUR 1.3 million for the previous year.

In consideration of the entity's positive performance in 2024, the value of the equity investmnt was not tested for impairment.

Pininfarina of America Corp.

The subsidiary, which provides design services in the US market, closed the year 2024 with total revenue of EUR 9.0 million (EUR 8.1 million in 2023) and net profit for the year of EUR 1.2 million (EUR 1.3 million for 2023).

Given its past and projected performance, the directors did not consider it necessary to perform an impairment test.

Equity investments in associates are detailed as follows:

(EUR'000)	Goodmind S.r.l.	Signature S.r.l.	Total Equity investments in associates
% held at beginning of year	20%	24%	
Opening balance	**158**	**556**	**714**
Additions /(Disposals)	-	-	-
Impairment reversals/(losses)	4	6	10
Other changes	-	-	-
Closing balance	**162**	**562**	**724**
% held at end of year	20%	24%	

Goodmind S.r.l. provides communication services to companies and organisations.

Signature S.r.l. mainly operates in the stationery business.

Equity investments in other companies, equal to EUR 338 thousand, comprise the investment in the Maltese company Midi Plc (EUR 337 thousand) and other minor equity investments.

Gains/(Losses) on equity investments on equity investments recognised in profit or loss in 2024 and 2023 are detailed as follows:

(EUR'000)	2024	2023
Share of profit/(loss) of equity-accounted investees	**10**	30
Dividends	**467**	549
Impairment losses on equity investments in subsidiaries and associates	**(1,246)**	(3,592)
Gains/(Losses) on equity investments	**(769)**	(3,013)

Dividends received relate to the subsidiary Pininfarina of America Corp.

8 – FINANCIAL ASSETS

Financial assets at 31 December 2024 comprise non-current loans granted to the indirect subsidiary Pininfarina Deutschland GmbH, the direct subsidiary Pininfarina Shanghai Co. Ltd and the associate Signature S.r.l.

Change in the year are analysed as follows:

(EUR'000)	Pininfarina Deutschland GmbH	Signature Srl	Pininfarina Shanghai Co. Ltd	Total
Opening balance	**1,725**	**550**	**535**	**2,810**
Increase	-	-	141	141
Interest income	81	-	27	108
Collections	(81)	-		(81)
Other changes	-	-		-
Closing balance	**1,725**	**550**	**703**	**2,978**

The loans to Pininfarina Deutschland and Pininfarina Shanghai earn interest at market rates.

The loan to the associate Signature S.r.l. does not bear interest and was disbursed to support its start-up phase.

9 – INVENTORIES

Inventories comprise mainly materials used for the production of cars and prototypes at the Cambiano facility, as well as Pininfarina-branded products and car spare parts manufactured by the Company, which are sold to carmakers.

Inventories and the related obsolescence provision are analysed as follows:

(EUR'000)	31 December 2024	31 December 2023
Raw materials	**978**	577
Finished goods	**89**	111
(Provision for obsolescence)	**(247)**	(269)
Total Inventories	**820**	419

The provision for obsolescence, recognised against obsolete an slow-moving raw materials, changed as follows during the year:

(EUR'000)	31 December 2024	31 December 2023
Opening balance	**269**	269
Increases	**-**	-
Utilisations	**(22)**	-
Closing balance	**247**	269

10 - TRADE AND OTHER RECEIVABLES

Trade receivables are analysed as follows:

(EUR'000)	31 December 2024	31 December 2023
Italy	**1,680**	63,887
EU	**1,083**	2,423
Non-EU	**5,806**	12,599
(Loss allowance)	**(1,629)**	(691)
Trade receivables from third parties	**6,940**	15,717
Pininfarina of America Corp.	**358**	117
Pininfarina Deutschland GmbH	**2,541**	2,577
Pininfarina Shanghai Co. Ltd	**2,006**	1,579
Automobili Pininfarina GmbH	**150**	370
Mahindra&Mahindra Ltd	**-**	60
Tech Mahindra Ltd	**32**	1
Signature Srl	**63**	90
Trade receivables from related parties	**5,149**	4,795
Total	**12,089**	20,512

The Company's main counterparties are top carmakers with a high credit rating. Since the receivables are not covered by insurance policies, the Company's maximum exposure to credit risk is equal to the carrying amount of the receivables less the loss allowance.

The Company has not factored any receivables. Trade receivables are mostly denominated in euro.

The increase in the loss allowance relates mainly to a prudent provision posted in relation to the changed recoverability assessment of a receivable from an Iranian customer, as a consequence to the geopolitical situation characterised by the Russia-Ukraine conflict and tension in the Middle East.

Changes in the loss allowance are detailed as follows:

(EUR'000)	31 December 2024	31 December 2023
Opening balance	**691**	297
Increases	**938**	394
Utilisation/change in accounting estimates	**-**	-
Other changes	**-**	-
Closing balance	**1,629**	691

For receivables that are not written down specifically, the Company defined a provisioning matrix based on its historical credit loss figures, adjusted to reflect the counterparties' different credit ratings and business environments.

Other receivables at 31 December 2024, compared with the previous year, are detailed as follows:

(EUR'000)	31 December 2024	31 December 2023
VAT	**2,497**	6,224
IRES (corporation tax) and tax withholdings	**217**	114
IRAP (regional trade income tax) paid on account	**155**	-
Accrued income and prepayments	**871**	540
Receivables from INAIL, national industrial accident insurance, and INPS, national social security	**9**	7
Receivables from employees	**-**	13
Other	**8**	129
Advances to suppliers	**32**	243
Total other receivables from third parties	**3,789**	7,270
Total other receivables	**3,789**	7,270

At 31 December 2024 Other receivables were equal to EUR 3.8 million (EUR 7.3 million at 31 December 2023) and comprised mainly VAT, in relation to which the Company collected EUR 4.5 million related to a receivable arising in 2023, on 10 July 2024, and EUR 1.4 million related to a receivable arising in the second quarter of 2024, on 8 October 2024.

Impairment losses were recognised for the entire balance of foreign tax withholdings, which may be recovered only through future taxable profits from operations carried out in the country where the taxes were paid, given the doubtful possibility in practice of using them before they become time-barred. This is without prejudice to the Company's right to use them should the conditions for their utilisation arise again in the future, considering that the time limit is up to 2031. Foreign tax withholdings not recognised in the separate financial statements that are still available for utilisation amounted to around EUR 4.3 million at 31 December 2024.

11 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents at 31 December 2024 e at 31 December 2023 are detailed as follows:

(EUR'000)	31 December 2024	31 December 2023
Cash in hand and cash equivalents	**3**	7
Short-term bank deposits	**18,050**	21,860
Cash and cash equivalents	**18,053**	21,867

Short-term bank deposits include:

- investments with a maximum duration of three months amounting to EUR 11 million that are readily convertible into cash;

- EUR 220 thousand pledged by the Company in favour of Intesa Sanpaolo to secure the credit facility granted by the bank to the Chinese subsidiary.

Reference is made to the statement of cash flows for a detailed illustration of the cash flows for the year.

12 - EQUITY

Share capital

Share capital of Pininfarina S.p.A. at 31 December 2024 is made up of 78,657,878 ordinary shares with no nominal value. There are no other classes of shares.

Share capital is presented net of treasury shares, which are held in accordance with the thresholds laid out in article 2357 of the Italian Civil Code.

Detailed information about shareholders is provided in Note 1.

	31 December 2024		31 December 2023	
	EUR'000	**Number**	**EUR'000**	**Number**
Ordinary shares outstanding	**56,482**	**78,673,836**	56,482	78,673,836
(Treasury shares)	**(16)**	**(15,958)**	(16)	(15,958)
Share capital	**56,466**	**78,657,878**	56,466	78,657,878

Other reserves

Other reserves are detailed as follows:

(EUR'000)	**31 December 2024**	**31 December 2023**	**Change**
Share premium reserve	**22,905**	22,905	-
Legal reserve	**11,296**	11,296	-
Revaluation surplus on the historical collection	**5,518**	2,043	3,475
Other	**10,558**	10,642	(84)
Other reserves	**50,277**	46,886	**3,391**

The share premium reserve, equal to EUR 22,905,478, and the legal reserve, equal to EUR 11,296,386, are unchanged from the previous year end.

Pursuant to article 2430 of the Italian Civil Code, the legal reserve can be used to cover losses.

As required by IAS 16, the revaluation surplus on the historical collection of EUR 5,518,205 shows the fair value gain on the revalued assets' historical cost, net of deferred tax liabilities recognised as a result of taxable temporary differences.

The change in the item Other was due to the fair value adjustment at 31 December 2024 of equity investments in other companies (Note 7), recognised in other comprehensive income.

Losses carried forward

At 31 December 2024 losses carried forward totalled EUR 58,201,558, an increase of EUR 2,726,404 on 31 December 2023 due to:

- The appropriation of the loss for 2023 of EUR 2,779,206;
- The positive effect for the year of the adoption of IAS 19 (revised), equal to EUR 52,802.

Possible uses of equity reserves

Description	**At 31 Dec. 2024 (EUR)**	**Possible use**	**Available portion**	**Non-distributable portion**
Share capital	**56,465,974**			
Other reserves	**50,277,284**			
Equity-related reserves				
Revaluation reserve	**2,646,208**	A,B,C	2,646,208	-

Description	At 31 Dec. 2024 (EUR)	Possible use	Available portion	Non-distributable portion
Revaluation surplus on historical collection	**5,518,205**	A,B,C	5,518,205	-
Income-related reserves				
Revaluation reserve	**22,905,478**	A,B,C	22,905,478	-
Revaluation surplus on historical collection	**11,296,386**	B	11,296,386	11,296,386
Merger difference	**5,277,015**	A,B,C	5,277,015	-
Reserve for future capital increases	**155,760**	B	-	-
Other	**2,478,231**	B	2,462,816	15,415
Losses caried forward	**(58,201,558)**			
Loss for the year	**(4,834,107)**	A,B,C		
Total	**43,707,593**		**50,106,108**	**11,311,802**

A: capital increase, **B:** loss coverage, **C:** dividend distribution

Revaluation reserves must be replenished when used to cover losses, unless the shareholders resolve not to do so in an extraordinary meeting. Their distribution shall be subjected to the provisions of article 2445, paragraphs 2 e 3, of the Italian Civil Code.

The legal reserve is fully available to cover losses.

Of the item Other, an amount of EUR 15,415 cannot be distributed that corresponds to the value of the treasury shares held by the Company at 31 December 2024, as provided by article 2357-ter, third paragraph, of the Italian Civil Code.

13 - OTHER FINANCIAL LIABILITIES

Other financial liabilities mostly comprise the outstanding amount relating to the debt rescheduling agreement between Pininfarina S.p.A. and its lenders that became effective on 30 May 2016. Its effects are summarised as follows:

- Settlement and extinguishment of 56.74% of the nominal amount of the Company's exposure to the lenders that accepted this option, plus interest accruing up to the effective date;
- Rescheduling to 2025 of the nominal amount of the exposure to the lenders that accepted this option, for a total of EUR 41.5 million;
- Application of a fixed interest rate of 0.25% per annum, based on a year of 360 days, increased by the difference between this rate and the 6-month Euribor rate, should the latter exceed 4%.

Changes in other financial liabilities over the past two years are summarised below:

(EUR'000)	31 December 2024			31 December 2023		
	Rescheduling agreement	Other financial liabilities to related parties	Total	Rescheduling agreement	Other financial liabilities to related parties	Total
Opening balance	**14,753**	**-**	**14,753**	17,261	73	17,334
Increase	**-**	**-**	**-**	-	-	-
Imputed interest	**919**	**-**	**919**	1,070	-	1,070
Repayment/derecognition of liabilities	**(3,586)**	**-**	**(3,586)**	(3,578)	(73)	(3,651)
Other changes	**-**	**-**	**-**	-	-	-
Closing balance	**12,087**	**-**	**12,087**	14,753	-	14,753
of which: due within one year	**12,087**	**-**	**12,087**	3,578	-	3,578
of which: due after one year	**-**	**-**	**-**	11,175	-	11,175

On 30 May 2015, the fair value of the restructured debt was determined by discounting the cash flows as per the debt rescheduling agreement to their present value at a rate of 6.5%, determined with the assistance of a third-party financial advisor as the sum of 1) the return on risk-free investments, and 2) a "credit spread" attributed to Pininfarina S.p.A..

A breakdown of the contractual cash flows by maturity is provided in Note 32.

A breakdown of changes by lender is set out below:

(EUR'000)	31 December 2023	Imputed interest	Repayment/ Other changes	31 December 2024
Intesa Sanpaolo S.p.A.	9,550	595	(2,321)	**7,824**
Banca Nazionale del Lavoro S.p.A.	562	35	(137)	**460**
BPER Banca S.p.A.	2,245	140	(546)	**1,840**
Selmabipiemme Leasing S.p.A.	2,396	149	(582)	**1,963**
Other financial liabilities	14,753	**919**	**(3,586)**	**12,087**

The Company's loans and borrowings are not subject to currency risk.

Reference should be made to the table presented in Note 36 for more details on the net financial position (ESMA Guidelines).

14 - EMPLOYEE BENEFITS

Employee benefits include the present value of the liability to employees for the portion of post-employment benefits vested before 1 January 2007 as well as that relating to the LTI Plan implemented since 2023 for the CEO.

Changes in the two years are detailed as follows:

(EUR'000)	31 December 2024			31 December 2023		
	Post-employment benefits	LTI Plan	Total	Post-employment benefits	LTI Plan	Total
Opening balance	**1,964**	**775**	**2,739**	2,069	-	2,069
Service cost recognised in profit or loss	**-**	**825**	**825**	-	775	775
Interest cost recognised in profit or loss	**57**	**-**	**57**	73	-	73
Actuarial (gains)/losses recognised in other comprehensive income	**(32)**	**(21)**	**(53)**	(29)	-	(29)
Benefits paid	**(177)**	**-**	**(177)**	(149)	-	(149)
Closing balance	**1,812**	**1,579**	**3,391**	1,964	775	2,739

The main changes in the year include the actuarial gains recognised in OCI (EUR 53 thousand, before the tax effect) and benefits paid (EUR 177 thousand).

The overall cost for employee benefits recognised in profit or loss during 2024 comprises interest cost for EUR 57 thousand and the employee service cost related to the LTI Plan for EUR 825 thousand.

The main assumptions underlying the actuarial calculation of the liability in the current and previous years are set out below:

	31 December 2024	31 December 2023
Annual inflation rate	**1.70%**	1.80%
Benefit discount rate (post-employment benefits)	**3.10%**	3.05%
Benefit discount rate (LTI Plan)	**2.72%**	3.26%

The adopted discount rate refers to the market yield of AA-rated securities denominated in euro with rating equal to AA.

Moreover, a sensitivity analysis was carried out increasing/decreasing the base rate for the post-employment benefits and LTI Plan by 50% and no significant changes from the reported liability emerged.

15 - OTHER CURRENT LIABILITIES

Other current liabilities at 31 December 2024 and 31 December 2023 are detailed as follows:

(EUR'000)	31 December 2024	31 December 2023
Wages and salaries	**3,139**	3,409
Social security payables	**959**	933
Other payables	**1,022**	847
Total	**5,120**	5,189

It should be noted that, compared with the separate financial statements of Pininfarina S.p.A. at 31 December 2023, there was a change in the presentation of other current liabilities. In detail, current tax liabilities of the Company, equal to EUR 132 thousand in 2023 and EUR 110 thousand in 2024, were excluded from Other liabilities and reported separately on the line Current tax liabilities. The change is solely a reclassification for accounting purposes and has no impact on the Company's overall liabilities.

16 - TRADE PAYABLES

(EUR'000)	31 December 2024	31 December 2023
Trade payables to third parties	**11,674**	12,665
Trade payables to related parties	**160**	223
Total Trade payables	**11,834**	12,888

The balance at 31 December 2024 comprises payable falling due within one year.

17 - PROVISIONS FOR RISKS AND CHARGES AND CONTINGENT LIABILITIES

Provisions for risks and charges

Changes in provisions for risks and charges are set out below:

(EUR'000)	Warranty provision	Provision for losses to complete contracts	Provision for liabilities of subsidiary in liquidation	Provision for litigation	Total
1 January 2024	**218**	**577**	**132**	**-**	**926**
Additions to provisions	-	490	-	3,400	3,890
Utilisations	-	(251)	(100)	-	(351)
Releases	-	(302)	-	-	(302)
Other changes	-	-	-	-	-
31 December 2024	**218**	**514**	**32**	**3,400**	**4,164**

The Warranty provision, unchanged at the year end, is the Company's best estimate of its contractual and legal obligations for warranties provided on certain components manufactured and assembled on customers' vehicles, for a predefined period after the sales to the end customers. The estimate was determined based on past experience, specific contractual terms and product specifications and data on defects collected by statistical customer survey systems.

The Provision for losses to complete contracts shows the effects of the measurement of losses to complete the Company's long-term contracts.

The Provision for liabilities of subsidiary in liquidation is the Company's best estimate of the liability arising from the winding up of Pininfarina Engineering S.r.l. The provision as set up to provide in full for the reasonably estimated

commitments based on collective trade union agreements, law requirements, individual termination agreements and, considering the natural development of the procedures, the possible failure to participate in the plan envisaged by the collective agreements by employees who oppose the agreement, as well as other operating costs estimated for the following year. During the year the provisions was utilised for EUR 100 thousand.

With reference to the ongoing litigation with the Swiss company GreenGT (GGT) before the Commercial Court in Paris, concerning compensation for damage caused by Pininfarina S.p.A.'s failure to fulfil the contract, resulting in the loss of business opportunities and damage to reputation, the following developments occurred: the Court issued the first-instance ruling on 9 November 2021, rejecting the claim for breach of contract and the alleged reputational damage, but held Pininfarina S.p.A. liable for damages to GGT amounting to approximately EUR 2.5 million. The Company promptly filed an appeal with the Court. At the hearing held on 17 January 2025, the Paris Court of Appeal (i) upheld the Company's claims on some shared assets; and (ii) awarded GreenGT damages of around EUR 6.2 million plus legal costs. The Company, supported by its legal advisors, considered there to be sufficient grounds to file an appeal with the Court of Cassation, which is now being prepared. However, in consideration of the second-degree ruling and related arguments, the Parent updated its assessment of the probability of losing the case, and posted a provision for litigation of EUR 3,400 thousand. This amount is the directors' best estimate, based on currently available information, of the possible charge from the ongoing lawsuit.

Contingent liabilities and litigation

On 1 August 2022 the Labour Inspectorate notified the subsidiary Pininfarina Engineering S.r.l. in liquidation of minutes of assessment concerning alleged breaches of regulations on social charges for an amount of EUR 807,200 (inclusive of penalties). On 31 May 2023 the entity also received a payment notice. On 10 July 2023, Pininfarina Engineering S.r.l. in liquidation filed an objection to the payment notice notified without making any payment. On 11 July 2023 the court allowed the objection from Pininfarina Engineering S.r.l. in liquidation and accordingly suspended the enforceability of the payment notice. On 25 March 2024 witnesses were heard and the court scheduled a hearing to discuss the matter for 4 July 2024, subsequently postponed to 24 September 2024 and then to 22 October 2024. On 4 November 2024, the ruling was announced in which the court rejected the objection submitted by Pininfarina Engineering S.r.l. in liquidation. The Company, supported by it legal advisors, filed a new petition for suspension against the first-degree ruling. The second-degree hearing is scheduled for 7 May 2025. In accordance with the applicable financial reporting standards, the directors did not deem it necessary to post a provision for this liability.

As part of the dispute concerning the use of the Pininfarina trademark and related to Pininfarina Extra S.r.l., which was merged into Pininfarina S.p.A. on 1 January 2019, lawsuits are still pending for (i) opposition to an injunction obtained by Pininfarina S.p.A., and (ii) reassignment to the competent court of the proceeding referred to by the judgment of the Court of Fermo, revised in full by the Court of Appeal of Ancona. These proceedings are expected to end in the next financial year. It should be noted that in March 2025, the counterparty applied for the negotiated composition with creditors procedure with application of the protective measures envisaged by articles 18 and 19 of the Business Crisis and Insolvency Code.

There are no further contingent liabilities or litigation to report.

18 - CURRENT AND DEFERRED TAXES

The table below provides a breakdown of deferred tax assets and liabilities in accordance with the provisions of IAS 12.

(EUR'000)	31 December 2024	31 December 2023
Deferred tax assets	**1,469**	544
(Deferred tax liabilities)	**(2,136)**	(791)
Total	**(666)**	(247)

Deferred tax liabilities at 31 December 2024 and 31 December 2023 relate to the tax effect of the revaluation of the Historical Collection. Since the revaluation gave rise to taxable temporary differences, the Company found that the conditions existed to recognise deferred tax assets of EUR 1,469 thousand on tax losses that can be carried forward without a time limit. I should noted that the Company has not recognised any deferred tax assets in connection with other prior tax losses of more than EUR 100 million that can be carried forward without a time limit.

Income taxes recognised in profit or loss in the last two years are detailed below:

(EUR'000)	31 December 2024	31 December 2023
Income taxes	**(86)**	(132)
Decrease/(Increase) in prior year's provision	**(24)**	-
Current tax liabilities	**(110)**	(132)
Change in deferred tax assets	**925**	544
Deferred tax assets	**925**	544
Income taxes	**815**	412

19 –REVENUE FROM SALES AND SERVICES

The Company's revenue is mainly generated from the provision of design and engineering services and sales of prototypes and special cars.

(EUR'000)	2024	2023
Sales - Italy	**57**	280
Sales - EU	**430**	1,004
Sales - non-EU	**686**	1,657
Sales	**1,173**	2,941
Services - Italy	**3,412**	3,598
Services - EU	**33,262**	21,274
Services - non-EU	**21,166**	32,621
Services	**57,840**	57,493
Royalties - Italy	**1,418**	1,645
Royalties - EU	**270**	212
Royalties - non-EU	**3,139**	2,129
Royalties	**4,827**	3,986
Change in contract assets	**(182)**	(533)
Revenue from sales and services	**63,658**	63,887

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by major product and service line and timing of revenue recognition

(EUR'000)	Major product/service lines	
	31 December 2024	31 December 2023
Design services	**58,831**	59,901
Royalties	**4,827**	3,986
Total	**63,658**	63,887

(EUR'000)	Major product/service lines	
	31 December 2024	31 December 2023
Products transferred at apoint in time	**-**	-
Products and services transferred over time	**63,658**	63,887
Total	**63,658**	63,887

Contract assets and liabilities

The following table provides information about contract assets and liabilities.

(EUR'000)	31 December 2024	31 December 2023
Contract assets	**964**	1,146
Contract liabilities	**(5,194)**	(16,397)
Net contract assets/(liabilities)	**(4,230)**	(15,251)

Contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date on made-to-order products/services. They are reclassified to trade receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customer.

Contract liabilities represent the Company 's obligation to transfer goods or services to a customer for which it has received consideration (or an amount of consideration is due) from that customer.

The change from the previous year relates to the completion of development activities relating to a limited series production project and the completion of certain design projects.

The aggregate transaction price allocated to performance obligations not yet satisfied at the reporting date is equal to EUR 68.9 million.

As allowed by IFRS 15, no information is provided about unsatisfied performance obligations at 31 December 2024 with an original expected duration of one year or less.

Of the EUR 16.4 million contract liabilities at the beginning of the year, an amount of EUR 14.6 million was reclassified to revenue of the year ended 31 December 2024.

20 - OTHER INCOME

(EUR'000)	2024	2023
Grants for research and training	**19**	10
Insurance recoveries	**5**	24
Own work capitalised	**-**	124
Gains on sales of non-current assets and equity investments	**191**	2,459
Miscellaneous items	**22**	235
Total	**237**	2,852

Gains on sales relate to the sale of the Beinasco facility.

21 - PURCHASES, SERVICES AND OTHER VARIABLE PRODUCTION COSTS

(EUR'000)	2024	2023
Raw materials and consumables	**(12,867)**	(15,533)
Other variable production costs	**(1,665)**	(2,204)
External variable engineering services	**(12,960)**	(12,915)
Change in inventories of finished products	**21**	10
Total	**(27,471)**	(30,642)

External variable engineering services relate mainly to engineering and technical services.

22 –OTHER OPERATING EXPENSE

(EUR'000)	2024	2023
Consulting and other services	**(3,476)**	(3,044)
Travel expenses	**(761)**	(744)
Other personnel costs	**(583)**	(536)
General services and other expenses	**(491)**	(436)
Directors' and statutory auditors' fees	**(478)**	(640)
Indirect taxes	**(478)**	(634)
Insurance	**(392)**	(323)
Advertising and communication	**(250)**	(150)
Cleaning and waste disposal	**(219)**	(263)
Other	**(204)**	(234)
Postal expenses	**(111)**	(116)
Membership fees	**(93)**	(89)
Leases	**(69)**	(45)
Net exchange gains (losses)	**(4)**	(13)
Total	**(7,609)**	(7,267)

Consulting and other services mainly include IT, administrative and commercial consultancy fees.

General services and other expenses include costs for general services, warranties and court settlement expenses.

Leases mainly comprise operating leases that are not in the scope of IFRS 16 either because they do not convey the right to use the asset or as a result of the application of the practical expedient to short-term or low value leases.

23 - PERSONNEL EXPENSE

(EUR'000)	2024	2023
Wages and salaries	**(17,608)**	(16,691)
Social charges	**(5,540)**	(5,372)
Post-employment benefits	**(1,254)**	(1,035)
Other employee benefits	**(825)**	(775)
Utilisation of restructuring provision	**-**	62
Personnel expense	**(25,227)**	(23,811)

Post-employment benefits are the costs related to both the portion of the defined benefits previously vested and the interest accruing on those defined benefits (see Note 14) in consideration of the presentation adopted by the Company.

Other employee benefits is the cost for the year of the LTI plan (see Note 14).

In accordance with article 2427 of the Italian Civil Code, the following table provides a breakdown of headcount at 31 December and the average headcount for the year, calculated by adding the number of employees at the beginning and end of the year and dividing the result by two.

	2024		2023	
	Reporting date	Average	Reporting date	Average
Managers	**18**	**18**	19	19
White collars	**223**	**231**	222	205
Blue collars	**24**	**24**	25	24
Total	**265**	**273**	266	248

24 - AMORTISATION AND DEPRECIATION

The caption is detailed as follows:

(EUR'000)	2024	2023
Depreciation of property, plant and equipment	**(2,373)**	(2,195)
Amortisation of intangible assets	**(251)**	(257)
Depreciation of right-of-use assets	**(293)**	(179)
Amortisation and depreciation	**(2,917)**	(2,631)

25 - DECREASES IN/(ADDITIONS TO) PROVISIONS

(EUR'000)	2024	2023
Additions to the provision for losses to complete contracts	**(490)**	(575)
Additions to the warranty provision	**-**	(165)
Additions to the restructuring provision	**-**	48
Additions to the provision for litigation	**(3,400)**	-
Releases, utilisations and changes in estimates	**552**	204
Decreases in/(Additions to) provisions	**(3,338)**	(488)

Reference is made to Note 17 for details of additions to provisions.

26 - NET IMPAIRMENT REVERSALS (WRITE-DOWNS) OF TRADE AND OTHER RECEIVABLES

(EUR'000)	2024	2023
Addition to loss allowance for trade/other receivables	**(1,038)**	(488)
Impairment losses on foreign tax withholdings	**(572)**	(407)
Net impairment reversals (write-downs) of Trade and other receivables	**(1,611)**	(895)

The addition to the loss allowance relates to a provision prudently posted to reflect uncertainty about the recovery of receivables from two customers.

Impairment losses of EUR 572 thousand were recognised on foreign tax withholdings, which may be recovered through future taxable profits from operations carried out in the country where the taxes were paid, given the doubtful possibility of using them before they become time-barred.

27 - NET IMPAIRMENT REVERSALS (LOSSES) OF PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS

During 2024 no impairment losses or reversals of property, plant and equipment, right-of-use assets or intangible assets were recognised.

Impairment losses on property, plant and equipment recognised in 2023, equal to EUR 102 thousand, were chiefly related to the measurement of the Historical Collection using the revaluation model.

An impairment loss or reversal was determined comparing each asset's carrying amount with its fair value. As required by IAS 16, when an impairment loss emerged, it was recognised directly in profit or loss. Overall, impairment losses totalled EUR 85 thousand.

In addition, impairment losses on other items of property, plant and equipment were recognised for an amount of EUR 17 thousand.

28 –FINANCIAL INCOME

Financial income of 2024, equal to EUR 478 thousand (EUR 140 thousand for the previous year) relates mainly to interest income on liquidity investments with a term of less than three months and interest earned on loans to the German and Chinese subsidiaries.

29 –FINANCIAL EXPENSE

(EUR'000)	2024	2023
Interest expense on borrowings	**(964)**	(1,121)
Bank interest and fees	**(76)**	(66)
Interest expense on lease liabilities	**(40)**	(34)
Financial expense	**(1,080)**	**(1,221)**

Interest expense on borrowings comprises EUR 919 thousand for the effect of imputed interest resulting from the measurement of the liability at amortised cost and EUR 45 thousand in interest actually paid.

Bank interest and fees refer to interest paid on credit lines and bank fees.

Interest expense on lease liabilities relates to the amortised-cost measurement of lease liabilities under IFRS 16.

30 - EVENTS AFTER THE REPORTING DATE

On 29 January 2025, Pininfarina S.p.A. was notified of the ruling, dated 17 January 2025, relating to the civil dispute pending with GreenGT. For additional details reference is made to Note 17.

No other significant events occurred after the reporting date.

31 - FINANCIAL INSTRUMENTS AND FAIR VALUE HIERARCHY

In accordance with IFRS 7, the following table shows the types of financial instruments included in the consolidated financial statements and the measurement criteria adopted:

(EUR'000)		31 December 2024			
	Notes	Assets at amortised cost	Assets at fair value	Assets at fair value through OCI	Total
Equity investments in other companies	(7)	**-**	**-**	**338**	338
Non-current financial assets	(8)	**2,978**	**-**	**-**	2,978
Trade and other receivables	(10)	**15,878**	**-**	**-**	15,878
Cash and cash equivalents	(11)	**18,053**	**-**	**-**	18,053
Total financial assets		**36,909**	**-**	**338**	**37,247**
Non-current lease liabilities	(5)	**755**	**-**	**-**	755
Current lease liabilities	(5)	**307**	**-**	**-**	307
Other current financial liabilities	(13)	**12,087**	**-**	**-**	12,087
Other current liabilities	(15)	**5,120**	**-**	**-**	5,120
Trade payables	(16)	**11,834**	**-**	**-**	11,834
Total financial liabilities		**30,103**	**-**	**-**	**30,103**

(EUR'000)		31 December 2023			
	Notes	Assets at amortised cost	Assets at fair value	Assets at fair value through OCI	Total
Equity investments in other companies	(7)	-	-	422	422
Non-current financial assets	(8)	2,810	-	-	2,810
Trade and other receivables	(10)	27,782	-	-	27,782
Cash and cash equivalents	(11)	21,867	-	-	21,867
Total financial assets		**52,459**	**-**	**422**	**52,881**
Non-current lease liabilities	(5)	520	-	-	520
Other non-current financial liabilities	(13)	11,175	-	-	11,175

(EUR'000)		31 December 2023			
	Notes	Assets at amortised cost	Assets at fair value	Assets at fair value through OCI	Total
Current lease liabilities	(5)	170	-	-	170
Other current financial liabilities	(13)	3,578	-	-	3,578
Other current liabilities	(15)	5,189	-	-	5,189
Trade payables	(16)	12,888	-	-	12,888
Total financial liabilities		**33,520**	**-**	**-**	**33,520**

IFRS 7 – Financial instruments: disclosures, requires the classification of financial instruments within the fair value hierarchy, as defined in IFRS 13, to be based on the quality of the inputs used for measurement purposes:

- Level 1: fair value is determined based on quoted prices in active markets for identical assets or liabilities.
- Level 2: fair value is determined based on inputs other than quoted prices included within Level 1 that are observable either directly or indirectly. These consolidated financial statements do not present any financial instruments of this type.
- Level 3: fair value is determined based on valuation models, the inputs of which are not based on observable market data. These consolidated financial statements do not present any financial instruments of this type.

Based on the above, the classification of assets and liabilities at fair value in the statement of financial position according to the fair value hierarchy involved equity investments in other companies, mostly comprising the investment (EUR 336 thousand) in the Maltese company Midi Plc which is listed on the Malta stock exchange. The investment was classified at Level 1 of the fair value hierarchy having regard to its stock exchange price at the reporting date that is deemed to reflect its fair value considering the trades that took place close to the period end. Fair value gains or losses on the above equity investment are recognised in OCI.

The carrying amount of financial instruments comprising Non-current financial assets, Cash and cash equivalents, Trade and other receivables, Lease liabilities, Trade payables and Other current liabilities is considered to be a reasonable approximation of fair value.

The fair value of Other financial liabilities, equal to EUR 12,216 thousand (EUR 14,999 thousand at 31 December 2023), was measured with the support of an independent expert, using a level 3 measurement model that entailed:

- the identification of the interest and principal cash flows generated by the financial liabilities, based on the effective interest rate and the relevant repayment plan;
- the discounting of the cash flows by applying a rate which is considered to reflect the market rate that group companies would have obtained had they assumed liabilities with similar characteristics (amount and maturity) at the reporting date, including a spread that objectively reflects the Company's credit rating.

32 - FINANCIAL RISK MANAGEMENT

Financial risk factors, as identified in IFRS 7 – Financial instruments: disclosures, are described below.

- Market risk: the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices. Market risk includes:
  - Currency risk: the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in exchange rates;
  - Interest rate risk: the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in interest rates;
  - Price risk: the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices (other than changes covered by the interest rate and currency risks), irrespective of whether such fluctuations are determined by factors specific to the financial instrument or its issuer or by factors that affect all similar market-traded financial instruments.

- Credit risk: the risk that one of the parties causes the other party to incur a financial loss by failing to fulfil an obligation.

- Liquidity risk: the risk that an entity may be unable to fulfil obligations associated with financial liabilities.

Currency risk

The Company has entered into most of its financial instruments in euro, which is its functional and presentation currency. Although it operates in an international environment, the Company's exposure to fluctuations in exchange rates is limited to the following currencies against the euro: US dollar (USD) and Chinese renminbi (CNY).

Interest rate risk

This risk is due to the Group's exposure to fluctuations in market interest rates, since the interest expense on its debt is indexed thereto.

The restructuring agreement signed by Pininfarina S.p.A. with the lenders, effective from 30 May 2016 to 31 December 2025, defined a fixed contractual interest rate of 0.25% per annum, based on a year of 360 days.

Should 6-month Euribor exceed 4% during an interest accruing period, the contractual interest rate would be increased by the difference between the actual 6-month Euribor and 4%.

The Company does not currently deem it necessary to hedge the portion of its debt subject to interest rate risk.

A breakdown of the Company's financial debt by fixed and variable interest rates is as follows:

(EUR'000)	31 December 2024	%	31 December 2023	%
- Fixed rate	**12,087**	**100%**	14,753	100%
- Variable rate	**-**	**-**	-	-
Gross financial debt	**12,087**	**100%**	14,753	100%

Price risk

The Company mainly carries out design and engineering activities, therefore it is not significantly exposed to price risk on the commodities it purchases.

Credit risk

The Company is exposed to credit risk, defined as the probability of an impairment loss on exposures with a commercial or financial counterparty. With reference to commercial transactions, the Company's most significant projects have a limited number of counterparties, most of which may be qualified as of high credit standing. At group level, credit risk is especially concentrated in Asia (Iran, India and China).

Counterparty risk in the case of countries in which the Company does not usually undertake commercial transactions is analysed and assessed at the offering stage in order to identify and mitigate any solvency risks.

However, following the deterioration of the geopolitical situation in the Middle East, it became necessary to recognise an addition to the loss allowance of EUR 920 thousand to reflect the uncertainty about the recovery of a trade receivable from an Iranian customer of the Parent.

For details of the breakdown of receivables by geographical area reference is made to Note 11.

Liquidity risk

This is the risk that the Company may be unable to fulfil the obligations associated with its financial liabilities.

The Company's liquidity management approach is to ensure that it always has sufficient funds to fulfil its obligations when they fall due, under both normal and financial stress conditions, without incurring borrowing costs at above-market

interest rates. Generally, the Company ensures that there is sufficient cash to cover expected short-term operating expenses, including those related to loans and borrowings. Potential effects resulting from extreme circumstances that cannot be reasonably foreseen, such as natural disasters, are excluded.

The objective of the Company's financial strategy is to adequately balance the maturity of its liabilities in order to reduce the risk of having to refinance its debt. The Company has historically been able to meet its obligations regularly and to refinance its debt before maturity.

In brief, the Rescheduling agreement signed with the lenders on 14 December 2015 and effective as of 30 May 2016 entailed:

- Settlement and extinguishment of 56.74% of the nominal amount of the Parent's exposure to the lenders that accepted this option, plus interest accruing up to the effective date;
- Rescheduling to 2025 of the nominal amount of the exposure to the lenders that accepted this option, for a total of EUR 41.5 million;
- Application of a fixed interest rate of 0.25% per annum, based on a year of 360 days, increased by the difference between this rate and the 6-month Euribor rate, should the latter exceed 4%.

Consequently, over the medium/long term, liquidity risk is directly correlated to the achievement of the business plan targets.

The following table shows the carrying amount and the gross amount without discounting the contractual cash flows to the reporting date of the financial liabilities arising from the Company's debt rescheduling agreement.

(EUR'000)	Carrying amount at 31 Dec.2024	Contractual cash flows	of which: due within one year	of which: due from one to five years	of which: due after five years
Debt rescheduling agreement	12,087	12,839	12,839	-	-
Total	**12,087**	**12,839**	**12,839**	**-**	**-**

At the reporting date, the Company's cash and cash equivalents were equal to EUR 18,053 thousand.

Also, as previously stated, in March 2025 the controlling shareholder committed to providing financial support to Pininfarina S.p.A. for the 12 months following the date of approval of the financial statements. Consequently, should financing requirements arise that are not covered by the estimated future operating cash flows, also in relation to the possible negative outcomes of litigation in progress and the associated outlays, the Company will be able to meet them by using the financial support granted by the controlling shareholder.

Risk of default and covenant on debt

This risk relates to the possibility that the rescheduling agreement between Pininfarina S.p.A. and its lenders that came into force on 30 May 2016 may include acceleration clauses, giving rise to liquidity risk.

The rescheduling agreement contains a financial covenant that, as of the compliance assessment date of 31 March of each year, minimum consolidated equity shall be at least equal to EUR 30 million. Compliance with the covenant shall be verified until the expiry of the loan in 2025.

The Mahindra Group provided an on demand guarantee to the lenders that is enforceable if Pininfarina S.p.A. fails to meet its obligations.

At 31 March 2024, and based on the pre-actual figures at 31 March 2025, the covenant was complied with. Should the minimum equity threshold not be complied with, the agreement would not be automatically terminated, as it provides for specific remedies, and the lending banks can also waive their right to take action.

Business/market risk

The performance of the sectors/markets in which the Company and the Group operate has been adversely affected by the persisting negative economic cycle of the global automotive industry, further exacerbated by the conflict in Ukraine and by the geopolitical situation in the Middle East.

Against this backdrop, the Group must face the challenges posed by technological advances that are affecting the mobility and other sectors, offering traditional services combined with digital experiences.

Overall, the Company and the Group are redirecting their available resources towards activities with a strategic profile focused on those service lines which are considered to have greater potential in terms of strengthening customer relations and profitability in the medium term.

Climate change risk

In the course of 2024, the Company continued assessments, started in 2023, of the risks related to climate change, integrating such assessments into a broader environmental management business process.

At the same time, the Company implemented measures to adapt to climate change, including the following:

- Tests of the stability of trees at the Cambiano site, with the aim of preventing and managing potential economic damage to the asset and/or the workers in case of extreme weather events. In the coming years a vulnerability analysis, and possibly structural improvements, may be planned in relation to the most significant buildings in terms of production and/or that are at greater risk because the personnel being present;

- An insurance policy covering the damage to property, plant and equipment caused by natural disasters (currently excluding landslides which, however, do not pose a significant risk to the Company).

In general, considering the business model adopted by the Company, the future impacts of this risk are not expected to be significant.

33 - RELATED PARTY TRANSACTIONS

Pursuant to Consob communication DEM/6064293 of 28 July 2006, the following table shows a summary of transactions with related parties, including intra-group transactions. Those transactions were carried out at arm's length, taking into account the nature of the goods exchanged or services provided. They were neither atypical nor unusual for the purposes of the above-mentioned communication

	Commercial		Financial		Operating		Financial	
(EUR'000)	**Receivables**	**Payables**	**Assets**	**Liabilities**	**Revenue**	**Expense**	**Income**	**Expense**
Signature Srl	63	99	550	-	73	175	-	-
Pininfarina Deutschland GmbH	2,541	-	1,725	-	337	55	81	-
Pininfarina Shanghai Co. Ltd	2,005	61	703	-	428	515	27	-
Pininfarina of America Corp.	358	-	-	-	1,338	21	467	-
Tech Mahindra Ltd	32	7	-	-	18	-	-	-
Mahindra&Mahindra Limited	-	-	-	-	50	-	-	-
Mahindra Holidays & Resort India Limited	-	-	-	-	186	-	-	-
Automobili Pininfarina GmbH	150	60	-	-	1,966	-	-	-
Total	**5,149**	**227**	**2,978**	**-**	**4,396**	**766**	**575**	**-**

Intra-group transactions include:

- Signature S.r.l.: loan agreement, purchase of store material, sales of goods and royalties;

- Pininfarina Deutschland GmbH: loan agreement and design services;

- Pininfarina Shanghai Co. Ltd: loan agreement, design and architecture services agreement, strategic consulting and recharges of costs;

- Pininfarina of America Corp.: recharges of costs, design and architecture support services, secondment agreement, royalties and dividends;
- Tech Mahindra Ltd: architecture services agreement;
- Mahindra&Mahindra Ltd: brand licence and services;
- Mahindra Holidays & Resorts India Ltd: architecture services agreement;
- Automobili Pininfarina GmbH: general, design and engineering services agreement, secondment agreement, lease of offices and workshop

34 - DIRECTORS' AND STATUTORY AUDITORS' FEES

(EUR'000)	31 December 2024	31 December 2023
Directors	436	560
Statutory auditors	42	80
Total	**478**	**640**

The fees of the members of the board of statutory auditors are the amounts paid up to 31 July 2024, before the adoption of the one-tier governance model.

At 31 December 2024, fees payable to the Company's key management personnel totalled around EUR 1.3 million.

Trade payables include fees payable for the year amounting to EUR 78 thousand.

As for variable components of remuneration, the financial parameters that are being measured are (i) Total revenue, (ii) Gross operating profit, (iii) Equity.

35 - DISCLOSURE OF THE INDEPENDENT AUDITORS' FEES REQUIRED BY ARTICLE 149-DUODECIES OF THE ISSUERS' REGULATION

Pursuant to article 149-duodecies of the Consob Issuers' Regulation, the 2024 fees for audit and non-audit services provided by Deloitte & Touche S.p.A. and by other entities of its network are detailed below.

(EUR'000	Service provider	2024 fee
Audit	Deloitte & Touche S.p.A. (1)	**161**
Non-audit services	Deloitte & Touche S.p.A. (2)	**51**
Total		**212**

(1) including fees of EUR 21 thousand for the review of the Non-financial statement and EUR 39 thousand for the audit of the consolidated reporting package at 31 March 2024 for the purposes of the consolidated financial statements of the Tech Mahindra Group.

(2) Including methodological support with the gap analysis of the Non-financial statement.

36 - ADDITIONAL DISCLOSURES

Net financial position

	31 Dec. 2024	31 Dec. 2023	Change
Cash and cash equivalents	**18,053**	21,867	(3,814)
Bank overdrafts	**-**	-	-
Other current financial liabilities	**(12,087)**	(3,578)	(8,509)
Current lease liabilities	**(307)**	(170)	(137)
Net cash and cash equivalents / (Net current financial debt)	**5,659**	**18,119**	**(12,460)**
Non-current financial assets from related parties	**2,978**	2,810	168
Non-current lease liabilities	**(755)**	(520)	(235)
Other non-current financial liabilities	**-**	(11,175)	11,175
Net non-current financial debt	**2,223**	**(8,885)**	**11,108**
POSIZIONE FINANZIARIA NETTA	**7,882**	**9,234**	**(1,352)**

Net financial debt

(ESMA Guidelines 32-382-1138 of 4 March 2021)

	31 Dec. 2024	31 Dec. 2023	Change
(A) Cash	**(18,053)**	(21,867)	3,814
(B) Cash equivalents	**-**	-	-
(C) Other current financial assets	**-**	-	-
(D) Liquidity (A+B+C)	**(18,053)**	(21,867)	3,814
(E) Current financial debt	**12,087**	-	12,087
(F) Current portion of non-current financial debt	**307**	3,748	(3,441)
(G) Current financial debt (E+F)	**12,394**	3,748	8,646
(H) Net current financial debt (E+F)	**(5,659)**	(18,119)	12,460
(I) Non-current financial debt	**755**	11,695	(10,940)
(J) Debt instruments	**-**	-	-
(K) Trade payables and other current liabilities	**-**	-	-
(L) Net non-current financial debt (I+J+K)	**755**	11,695	(10,940)
(M) Net financial debt (H+L)	**(4,904)**	(6,424)	1,520

The “Net financial position” in the above table is presented in accordance with the format recommended by the ESMA Guidelines 32-82-1138 enacting Regulation (EU) 2017/1129 applicable from 5 May 2021. Because the purpose of this table is to show Net financial debt, assets are shown with a minus sign and liabilities with a plus sign. In contrast, in the “Net financial position” table provided at the top of the page, assets are shown with a plus sign and liabilities with a minus sign.

The difference between the net financial position and net financial debt values is attributable to the fact that the latter does not include loans and non-current financial assets. Those differences amounted to EUR 2,978 thousand at 31 December 2024 (EUR 2,810 thousand at 31 December 2023).

Please note that net financial debt at 31 December 2024 includes the effect of the application of IFRS 16 for a total amount of around EUR 1,062 thousand, vs. EUR EUR 690 thousand at 31 December 2023.

Significant non-recurring transactions

As required by Consob communication DEM/6064293 of 28 July 2006, we specify that during the year the Company did not carry out any significant non-recurring transaction.

Atypical and unusual transactions

As required by Consob communication DEM/6064293 of 28 July 2006, we specify that during the year Pininfarina S.p.A. did not carry out any atypical or unusual transactions as defined in the above-mentioned communication, according to which atypical and/or unusual transactions are transactions that, because of their significance/material amount, nature of the counterparty, subject, method used to determine the transfer price and timing of the event, could raise doubts as to the accuracy/completeness of the disclosure provided in the financial statements, the existence of a conflict of interest, the safeguarding of corporate assets and the protection of minority investors.

Architecture competence centre

Architecture services included in the Design business at 31 December 2024 report sales of EUR 5,172 thousand, of which EUR 318 thousand to domestic customers and EUR 4,854 thousand to EU and non-EU customers, internal and external costs of EUR 3,818 thousand.

37 – PROPOSED APPROPRIATION OF THE LOSS FOR THE YEAR

The year 2024 closed with a loss of EUR 4,834,107, which we propose to carry forward.

Turin, 28 April 2025

Silvio Pietro Angori

CEO

STATEMENT ON THE SEPARATE FINANCIAL STATEMENTS PURSUANT TO ARTICLE 154-BIS OF LEGISLATIVE DECREE NO. 58/98

◊ We, the undersigned Silvio Pietro Angori, as CEO, and Roberta Miniotti, as officer in charge of financial reporting of Pininfarina S.p.A., also considering the provisions of article 154-bis, paragraphs 3 and 4, of Legislative Decree No. 58 of 24 February 1998, state that the administrative and accounting policies adopted for the preparation of the separate financial statements at 31 December 2024:

- are adequate in relation to the Company's characteristics, and
- were effectively applied during the year.

◊ We also state that the separate financial statements:

- are prepared in accordance with the International Financial Reporting Standards endorsed by the European Community pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
- are consistent with the accounting ledgers and records;
- are suitable to give a true and fair view of the issuer's financial position, financial performance and cash flows.

The annual financial report includes a reliable analysis of the performance in the year and state of affairs of the issuer, as well as a description of the main risks and uncertainties to which it is exposed.

28 April 2025

Silvio Pietro Angori	Roberta Miniotti
CEO	Officer in charge of financial reporting

(Translation from the Italian original which remains the definitive version)

Pininfarina S.p.A.

Report of the Audit Committee to the Shareholders' Meeting of Pininfarina S.p.A. convened for the approval of the financial statements as of December 31, 2024, pursuant to Article 153 of Legislative Decree No. 58 of February 24, 1998.

1. Foreword

Through this Report, prepared pursuant to Article 153 of Legislative Decree No. 58 of 24 February 1998 ("**TUF**"), the Audit Committee ("**AC**") reports on the activities carried out during the financial year ended 31 December 2024, in accordance with the applicable regulations.

2. Composition and Periodic Assessment of Eligibility Requirements

As of the Shareholders' Meeting held on 1 August 2024, the Company adopted the one-tier governance and control model. On 7 August, the Board of Directors appointed the Audit Committee with the following composition:

Name	Surname	Directorship	Committee role
Salvatore	Providenti	Independent Director	Chair
Massimo	Miani	Independent Director	Member
Manuela Monica Danila	Massari	Independent Director	Member

Accordingly, the AC is composed of three members, all of whom are non-executive and meet the independence requirements pursuant to Article 148, paragraph 3, of Legislative Decree No. 58 of 24 February 1998 ("**TUF**"), and Article 2 of the Corporate Governance Code, as provided for in the Company's By-Laws.

The current members of the AC will remain in office until the end of the term of the Board of Directors and, therefore, until the approval of the financial statements as at 31 December 2026.

On 25 September 2024, following a review by the AC, the Board of Directors adopted the "Regulations of the Audit Committee of Pininfarina S.p.A." (the "**Regulations**").

Also on 25 September 2024, when approving the above-mentioned Regulations, the Board of Directors assigned to the Audit Committee the functions of the Control and Risk Committee, as permitted under Article 6, Recommendation 32, letter c) of the Corporate Governance Code issued by business associations (ABI, ANIA, Assonime, Confindustria), Borsa Italiana S.p.A., and the association of professional investors (Assogestioni), applicable as of 1 January 2021 (the "Corporate Governance Code").

Upon taking office and, most recently, in April 2025, the AC assessed – positively – the fulfilment and continued existence, for each of its members, of the requirements of integrity and professionalism in accordance with the criteria established by law and the By-Laws, as well as of independence in compliance with the principles and criteria laid down in the TUF and the Corporate Governance Code, as applied by the Company, and communicated the outcome of this assessment to the Board of Directors for the relevant actions to be taken.

The main positions held by members of the AC are listed in the Company's Report on Corporate Governance and Ownership Structure, prepared pursuant to Article 123-bis of the TUF and made available to the public on the Company's website (www.pininfarina.it).

All AC members comply with the limit on the number of positions held, as provided for in Article 144-terdecies of CONSOB's Issuers' Regulation.

In April 2025, the AC also conducted its annual self-assessment regarding its composition and operation (also in line with Recommendation Q.1.1. of the Rules of Conduct of Boards of Statutory Auditors of Listed Companies, as most recently adopted by the CNDEC, where applicable), expressing a positive opinion regarding its adequacy and the balanced distribution of the skills held.

3. Activities performed in 2024

3.1 Summary of activities performed and general remarks

Pursuant to Article 153 of the Consolidated Law on Finance (TUF), based on the key findings that emerged in the course of performing its duties, the following is hereby reported with regard to the activities carried out during 2024, with certain updates relating to the early months of 2025.

The Audit Committee discharged the oversight duties prescribed under Article 2409-octiesdecies, paragraph 5, of the Italian Civil Code, as well as Articles 149 and 151-ter of the TUF. Furthermore, it performed the supervisory functions set out in Article 19 of Legislative Decree No. 39/2010, in consideration of its identification as the Internal Control and Audit Committee pursuant to paragraph 2 of the aforementioned statutory provision.

In particular, the Audit Committee:

- received periodic updates, at least on a quarterly basis, on the general performance and foreseeable outlook of management, as well as on the most significant economic, financial, and equity transactions carried out by Pininfarina and by the group of companies headed by it (the "Group"), ensuring that the resolutions adopted and

implemented were not clearly imprudent, reckless, in potential conflict of interest, inconsistent with shareholders' resolutions, or such as to compromise the integrity of the Company's assets;

- monitored the adequacy of the organizational structure through direct observations and the collection of information from the heads of corporate functions;
- in its capacity also as the Control and Risk Committee, oversaw the adequacy and effectiveness of the internal control and risk management system by obtaining information from the Chief Executive Officer, who is assigned responsibility for that system, from the heads of corporate functions, from representatives of the Independent Auditors, and from the Supervisory Body (Organismo di Vigilanza). It also held meetings with the Company's head of Internal Audit, from whom it received updates on the implementation status of the Audit Plan for the year, the findings of audit activities carried out, the corrective actions taken and planned, as well as the corresponding follow-up activities.
- monitored the adequacy of the administrative and accounting system through meetings with the Chief Financial Officer, who also serves as the Manager Responsible for Preparing the Company's Financial Reports, and with the Independent Auditors Deloitte & Touche S.p.A., also for the purpose of exchanging data and information;
- oversaw the implementation of the corporate governance rules adopted by the Company, including compliance with the principles set out in the Corporate Governance Code. In particular:

  - verified the correct application of the criteria and procedures adopted by the Board of Directors to assess the independence of its members;
  - verified the independence of the Independent Auditors;
  - assessed the independence of its own members;
  - verified that the composition of the Committees is consistent with the provisions of the Code;

- monitored related-party and intragroup transactions; in this regard, it is noted that the Related-Party Transactions Committee operates in accordance with the Related-Party Transactions Procedure adopted by the Company pursuant to Article 4 of CONSOB Regulation No. 17221 of March 12, 2010, as subsequently amended and supplemented, and that the information provided is adequate;
- monitored compliance with the obligations imposed on the Company under the so-called Market Abuse Regulation, including those relating to so-called internal dealing

transactions, as well as those concerning the protection of savings and corporate disclosure requirements.

In light of the foregoing, and taking into account the evolving nature of the internal control and risk management system, the analyses carried out and the information gathered have not revealed any elements that would lead this Audit Committee to deem the Company's internal control and risk management system, as a whole, to be inadequate.

Neither the Internal Audit function nor the Supervisory Body (Organismo di Vigilanza) reported any significant issues within their respective areas of responsibility.

The annual Corporate Governance and Ownership Structure Report approved by the Board of Directors did not highlight any matters requiring your attention.

For the performance of the above-mentioned oversight activities, the necessary information was obtained:

- through meetings with the heads of the relevant corporate functions, starting with the Chief Executive Officer, who also serves as the Director in charge of the internal control and risk management system (the "**Appointed Director**" or "**Chief Executive Officer**"), and the Chief Financial Officer/Manager Responsible for Preparing the Company's Financial Reports (the "**Manager Responsible**"), as well as with the Internal Audit function and with representatives of the firm entrusted with the statutory audit of the Company's financial statements (the "**Independent Auditors**");
- through participation in meetings of the Board of Directors, the Related-Party Transactions Committee (also referred to as the "**RPT Committee**"), and the Nomination and Remuneration Committee (also referred to as the "**NRC**"). In particular, the Audit Committee held 6 meetings during 2024 (on 25 September, 3 October, 8 October, 16 October, 22 October, and 12 November), at which the following individuals were invited to participate for the discussion of specific items on the agenda: the Appointed Director, at 2 meetings; the Manager Responsible, at 3 meetings; the Secretary to the Board of Directors, at 1 meeting; the Internal Auditor, at 1 meeting; and the Independent Auditors, at 2 meetings. The meetings of the Audit Committee had an average duration of approximately 2 hours.

In addition, the directors serving in the Audit Committee attended meetings of the Board of Directors (3 meetings), and, also by virtue of the overlap in membership, ensured participation in the meetings of both the Related-Party Transactions Committee and the Nomination and Remuneration Committee.

It is noted that the previous Board of Statutory Auditors, in office until the Shareholders' Meeting of 1 August 2024, held 11 meetings during the period from 1 January 2024 to 31 July 2024, and took part in the Shareholders' Meeting of 1 August 2024 (both ordinary and extraordinary sessions), in 9 meetings of the Board of Directors, 5 meetings of the Control, Risk and Sustainability Committee, 5 meetings of the Nomination and Remuneration Committee, and 4 meetings of the Related-Party Transactions Committee.
A review of the report of the Board of Statutory Auditors to the financial statements as at 31 December 2023, prepared pursuant to Article 153 of the TUF, together with the minutes of the Board of Statutory Auditors for the year 2024 and information provided by the Chair of the previous Board of Statutory Auditors (now a member of the Committee), did not reveal any significant critical issues.

3.2. Specific issues

Organizational Structure, Business Performance, and Specific Existing Risks

The Audit Committee was duly informed of the adoption of the Company's new organizational structure, implemented as part of the strategic guidelines set out in the 2024–2028 business plan, effective from 1 January 2025. The new structure was presented by the Chief Executive Officer to the Committee during the meeting held on 12 November 2024 and was reviewed with a focus on its consistency with sound corporate governance principles.

Furthermore, the Committee closely monitored business performance, receiving updates from the Chief Executive Officer on the main new contracts entered into by the Company, and requesting information on existing risks through specific inquiries during its meetings. On these occasions, particular attention was devoted to the status of the legal proceedings with GGT, which took place before the Court of First Instance and the Court of Appeal in Paris, and for which a specific provision was recognized in the financial statements as at 31 December 2024. For further details, reference is made to the accompanying Notes to the Financial Statements.

Oversight Activities on the Financial Reporting Process

The Audit Committee verified the existence of adequate rules and procedures safeguarding the process of collecting, preparing, and disseminating financial information.
It also took note that the Manager Responsible for Preparing the Company's Financial Reports confirmed the following:

- the adequacy and appropriateness of the powers and resources granted to him by the Board of Directors;

- that he had direct access to all necessary information for the preparation of accounting data, without the need for any authorization;
- that he was involved in the internal information flows for accounting purposes and approved all related corporate procedures.

Accordingly, the Committee expresses a positive assessment of the adequacy of the financial reporting process and believes there are no matters requiring submission to the Shareholders' Meeting.

The Committee also verified the completeness and adequacy of the information provided by the Board of Directors in its reports, including with regard to risks, significant uncertainties, and legal disputes affecting the Company and the Group.

As indicated in the section "Significant Events After the Reporting Date" of the Directors' Report, no material events occurred after year-end, except for what has already been reported with respect to the decision of the Paris Court of Appeal in the GGT case.

Going concern

In the context of its review of the interim management report as at 30 September 2024, the Audit Committee conducted an in-depth assessment of whether significant uncertainties existed regarding the Company's going concern assumption. In this regard, the Committee consulted with the Chief Executive Officer, the Manager Responsible, and the Independent Auditors, gaining an understanding of the Company's decisions on the matter.

The issue was further examined in the early months of 2025, in preparation for and during the review of the financial statements as at 31 December 2024.

Impairment test

Acting also in its capacity as the Control and Risk Committee, the Audit Committee verified the compliance of the impairment testing procedure with the requirements of International Accounting Standard IAS 36. The Notes to the Financial Statements as at 31 December 2024 set out the relevant information and the outcomes of the valuation process carried out, with the support of a qualified external expert.

The Committee considers the impairment testing procedure adopted by the Company to be adequate.

Oversight Activities on the Non-Financial Reporting Process

Pininfarina Group has decided to voluntarily prepare the 2024 Sustainability Report, despite not being required to do so under Legislative Decree No. 125/2024, as it currently has fewer

than 500 employees on a consolidated basis. The decision aims to ensure an adequate and effective level of communication and transparency with the market and its stakeholders.
The Audit Committee has been regularly informed about the process of gathering, preparing, and presenting the information and, therefore, expresses a positive assessment of this process, in line with the Group's strategic objectives in the socio-environmental area. The Committee believes that there are no issues to be submitted to the Shareholders' Meeting.

Claims, Complaints Pursuant to Article 2408 of the Italian Civil Code. Any Omissions, Reprehensible Acts, or Irregularities Identified

With regard to the requests received from shareholders, the letter dated 9 August 2024 from Shareholder Marco Bava was reviewed. The letter concerned the request to exercise the right of withdrawal pursuant to Article 2437, paragraph 1, points f) and/or g) following the amendment to Article 13 of the Company's Articles of Association by the Shareholders' Meeting held on 13 May 2024. The requests were deemed unfounded, particularly due to the presence of a clear notarial interpretation in direct opposition to the claims.
Furthermore, no omissions, reprehensible acts, or other irregularities were identified.

Atypical or Unusual Transactions

It is to be reported that the Company has not engaged in atypical or unusual transactions as defined by Consob communication DEM/6064293 of 28 July 2006.

Significant and Non-Recurring Transactions

During 2024, the process of revaluation of the Historic Collection continued.

Intragroup Transactions or Transactions with Related Parties

Pursuant to Article 2391-bis of the Italian Civil Code and Consob Resolution No. 17221 of 12 March 2010, "Regulation on Transactions with Related Parties," subsequently amended by Consob Resolution No. 17389 of 23 June 2010, the Board of Directors approved the "Regulation on Transactions with Related Parties" (the "Regulation") on 12 November 2010, which was later updated on 12 May 2021.
It is noted that the Regulation adopted by the Company and followed for transactions carried out during the 2024 financial year is in line with the principles set out in the aforementioned Consob Regulation and is published on the Company's website (www.pininfarina.it).
Information on transactions with related parties has been gathered through participation in the Related Party Committee meetings, during which such intragroup transactions were reviewed,

as well as through periodic updates received from the Company.

Transactions with Related Parties are disclosed in the notes to the financial statements and consolidated financial statements of the Company and the Group, where the corresponding economic and financial effects are also outlined. A description of the Committee's activities is also included in the Corporate Governance Report.

The Audit Committee has overseen compliance with the Regulation and the accuracy of the process followed by the Board of Directors and the relevant Committee regarding the qualification of related parties, as well as the assessment of the appropriateness and fairness of the transactions and their alignment with the interests of the Company, and has no issues to report.

Remuneration of Directors and General Manager

Pursuant to Article 2389, paragraphs 1 and 3 of the Italian Civil Code, the fixed component of the remuneration of the members of the Board of Directors, elected by the Shareholders' Meeting on 1 August 2024, comprising 10 (ten) members, has been determined to total €181,000 annually before taxes. The Board of Directors subsequently allocated the fixed fee equally among the independent directors, with adjustments made based on their participation in board committees and any role of chairmanship they may hold. The details of the remuneration for non-executive and independent directors are provided on page 37 of the 2024 Remuneration Report.

The Chairman of the Board of Directors receives a fixed salary of €180,000, in addition to compensation for participation in board committees.

The Chief Executive Officer (CEO) is the only executive director and holds the role of General Manager.

The CEO does not receive compensation under Article 2389 of the Civil Code as a director.

The base fixed component of the CEO's remuneration, in their capacity as General Manager, is a maximum total of €550,000.00 gross annually.

The variable component of the General Manager's remuneration is paid based on specific performance targets set by the Board of Directors, upon the proposal of the Nomination and Remuneration Committee, which must be achieved within the time frame specified in the year the targets are assigned or in the immediately following year.

The details of the variable remuneration for the General Manager are provided on page 36 of the 2024 Remuneration Report.

Supervision Pursuant to Legislative Decree No. 39/2010 – Verification of the Independence of the Audit Firm

The Audit Committee has overseen the statutory audit of the annual and consolidated financial statements, the independence of the audit firm, with particular attention to any non-audit services provided, and the outcome of the statutory audit.

Regarding the independence of the Audit Firm, Deloitte & Touche S.p.A., the Audit Committee noted that the Board of Statutory Auditors had previously reviewed the proposals for assigning non-audit services to the audit firm, particularly assessing their compatibility with the prohibitions set out in Article 5 of EU Regulation 537/2014 and the absence of potential risks to the auditor's independence arising from the provision of such services.

In the 2024 financial year, the audit firm performed the activities reported in Note 37 of the consolidated financial statements and Note 35 of the separate financial statements. The Audit Committee declares that the fees for these activities are appropriate given the size, complexity, and nature of the work carried out, and that the non-audit services assignments do not undermine the audit firm's independence.

Furthermore, in the early months of 2025, the Audit Committee assessed the request made by the audit firm to the Company for limited increases in the fee already approved by the Shareholders' Meeting.

In this regard, no elements have emerged that could call into question the independence of the audit firm.

Audit Firm's Reports on the 2024 Financial Statements

It is noted that Deloitte & Touche S.p.A., on April 29, 2025, issued:

- As the appointed auditor, the reports required by Articles 14 of Legislative Decree 39/2010 and 10 of EU Regulation 537/2014, prepared in accordance with the new provisions of the aforementioned decree, as amended by Legislative Decree 135/2016. The reports express an unqualified opinion on the separate and consolidated financial statements and confirm that they provide a true and fair view of the financial and asset situation of the Company and the Group as of December 31, 2024, as well as the economic result and cash flows for the year ending on that date, in compliance with the International Financial Reporting Standards adopted by the European Union and the provisions issued pursuant to Article 9 of Legislative Decree No. 38/05.
- The opinion on compliance with the provisions of Delegated Regulation (EU) 2019/815, which confirms that the separate and consolidated financial statements were prepared in XHTML format in accordance with the provisions of Delegated Regulation (EU) 2019/815;

- The opinion on the consistency of the management report and the specific information contained in the corporate governance and ownership structures report referred to in Article 123-bis, paragraph 4, of Legislative Decree 58/98 with the separate financial statements of the Company and the Group as of December 31, 2024;
- The additional report required by Article 11 of EU Regulation 537/2014, which indicates no significant deficiencies in the internal control and risk management system in relation to the financial reporting process, along with the declaration pursuant to Article 6 of EU Regulation 537/2014, which highlights no circumstances that could compromise the auditor's independence.

Cambiano, April 29 2025

The Chair of the Audit Committee

Deloitte.

Deloitte & Touche S.p.A.
Corso Svizzera 185
10149 Torino
Italia

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INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010
AND ARTICLE 10 OF THE EU REGULATION 537/2014

To the Shareholders of
Pininfarina S.p.A.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Pininfarina S.p.A. (the "Company"), which comprise the statement of financial position as at December 31, 2024, and the statement of profit or loss, statement of comprehensive income, statement of changes in equity and 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 give a true and fair view of the financial position of the Company as at December 31, 2024, and of 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 and adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). 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 applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Assessment of the appropriateness of the going concern assumption

Description of the key audit matter

In accordance with the provisions of the principles for preparing financial reporting, in preparing the financial statements, the Directors have assessed whether there are events and circumstances that indicate the existence of significant uncertainty that may give rise to doubts about the ability of the Company and the Pininfarina Group to continue to operate as a going concern.

The Directors indicate that the cash forecasts prepared for the next 12 months show sufficient financial resources to meet the foreseeable cash outflows for operating requirements, as well as the payment of the short-term portions of the loans, relating to the last tranche of the loan that is the subject of the rescheduling agreement, equal to 12.8 million euros.

The Directors point out that, in the event of financial difficulties arising from operating requirements as well as higher than expected outlays connected with pending litigation, the Company may find the necessary resources also through financial advances against receivables related to the main production contract in place.

For the purposes of their assessments, the Directors point out that they have also taken into account that, in March 2025, the controlling shareholder committed to providing financial support to Pininfarina S.p.A. for the 12 months following the date of approval of the financial statements. They indicate that, should financial requirements arise that are not covered by the expected operating cash flows, also in relation to the possible negative outcomes of litigation in progress and the associated outlays, the Company will be able to meet them by using the financial support granted by the controlling shareholder.

In light of the evaluations above, the Directors concluded that the significant uncertainties highlighted in the previous financial reports no longer exists and prepared the financial statements of Pininfarina S.p.A. as of December 31, 2024 on the going concern assumption.

In consideration of the significance of the aforementioned assessments made by the Directors for the purposes of determining the criteria for preparing the financial statements, as well as the relevance of the disclosures on going concern, we considered this assessment to be a key audit matter for Pininfarina S.p.A.'s financial statements as of December 31, 2024.

The paragraph "Going concern" in Note 2.1 "Basis for presentation" of the financial statements and the paragraph "Going concern" of the Director's report provide disclosure on the elements that the Directors have considered in their assessment of the going concern assumption.

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Audit procedures performed	As part of our audits, we have, among other things, carried out the following procedures: • meetings and discussions with the Company's Management and analysis of the assessments made by the Directors and Management regarding the ability of the Company and the Group to continue to continue as a going concern; • analysis of the 2025 budget approved by the Board of Directors on November 13, 2024 and the reasonableness of the underlying assumptions; • analysis of the cash flow forecasts prepared by the Directors for the 12 months following the date of approval of the draft financial statements and the reasonableness of underlying assumptions, including sensitivity analyses; • examination of variances between the forecast data and the actual results as of December 31, 2024 in order to assess the accuracy of the estimation process adopted by the Directors; • analysis of the letter of financial support issued to the Company by the controlling shareholder and analysis of the financial capacity of this entity to meet its commitment; • review of the minutes of the meetings of the Company's governance bodies; • analysis of the calculations performed by the Directors when measuring covenants under existing loan agreements; • review of events after the reporting date; • review of the disclosures provided by the Directors in relation to the going concern assumption.
Estimation of provisions for risks and charges for legal disputes	
Description of the key audit matter	The financial statements for the year ended December 31, 2024 of Pininfarina S.p.A. include provisions for risks and charges for a total of Euro 4,164 thousand, of which Euro 3,400 thousand were allocated at the end of the year with reference to an ongoing legal dispute with a Swiss company. In this regard, the Directors provide information on the developments that occurred at the beginning of 2025, when, in the second instance judgment, the Paris Court of Appeal awarded the Swiss counterparty the damages of around 6.2 million euros plus court costs.

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The Company, supported by its legal advisors, considered that there are sufficient elements to file an appeal with the Court of Cassation. However, in consideration of the second-degree ruling and the related arguments, the Directors have updated their assessments of the probability of losing the case, and posted a provision for litigation of 3.4 million euros. The Directors report that the amount set aside represents their best estimate, based on current available information, of the possible charge from the ongoing dispute.

The valuation of provisions for risks and charges allocated for existing disputes is a complex estimation activity, impacted by a high level of uncertainty, in which the Directors formulate estimates on the outcome of the disputes, the risk of losing and the timing of their closure. For these reasons, we considered the estimation of provisions for risks and charges for legal disputes to be a key audit matter of Pininfarina S.p.A.'s financial statements as of December 31, 2024.

Note 17 provides information on the ongoing legal dispute and the related assessments made by the Directors.

Audit procedures performed

As part of our audits, we have, among other things, carried out the following procedures:

- meetings and discussions with the Company's Management and Directors to obtain information on the process followed by them to develop the estimates in determining the provisions;
- review of the legal opinions prepared by the consultants appointed by the Company;
- review responses to requests for information to the lawyers appointed by the Company;
- examination of the reasonableness of the criteria, methods and assumptions used by the Company for the purpose of determining the risk of loss and the provision for risks and charges;
- analysis of the accounting treatment applied by the Company, also with the support of our experts;
- review of the minutes of the meetings of the Company's governance bodies;
- review of events after the reporting date;
- review of the disclosures provided by the Directors in relation to legal disputes.

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Recoverability of the book value of the investment in the subsidiary Pininfarina Engineering S.r.l. in liquidation	
Description of the key audit matter	The financial statements for the year ended December 31, 2024 of Pininfarina S.p.A. include investments in subsidiaries for a total of Euro 10,380 thousand, including Pininfarina Engineering S.r.l. in liquidation recorded for Euro 7,971 thousand, which holds the control of Pininfarina Deutschland GmbH. The negative performance for the reporting period by the indirect subsidiary Pininfarina Deutschland GmbH led the Directors to test this investment for impairment; its recoverable amount was estimated considering its value in use, as determined using the discounted cash flow method. Since the net assets of Pininfarina Engineering S.r.l. in liquidation substantially consists of the controlling interest in Pininfarina Deutschland GmbH, the impairment test was performed by estimating the value in use of the indirect subsidiary. As a result of the impairment test, the Directors recognized a total impairment loss of Euro 1,246 thousand. The processes and methods used to assess and determine the recoverable amount are based on complex assumptions that require the use of the Directors' judgement, particularly with regard to the forecasting future cash flows and determining the long-term growth rates and discount rates applied to forecasted future cash flows. In view of the materiality of the related carrying amount, the subjectivity of the estimates involved in the determination of cash flows and the key variables of the impairment model, the recoverability of the value of the investments in the subsidiary Pininfarina Engineering S.r.l. in liquidation was deemed a key audit matter in relation to the financial statements of Pininfarina S.p.A. as of December 31, 2024. Note 7 provides information on the Directors' assessments of the existence of impairment indicators and the determination of the recoverable amount, including details of the key variables used for the impairment test.
Audit procedures performed	As part of our audits, we have, among other things, carried out the following procedures, also with the support of our experts: • gain an understanding of the process adopted in preparing the impairment test approved by the Company's Board of Directors;

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- analysis of the operating and financial forecast of the indirect subsidiary Pininfarina Deutschland GmbH and the reasonableness of the assumptions made when preparing them;
- review of the variances between the initial forecast results and the actual results as of December 31, 2024 in order to understand the accuracy of the estimation process adopted by the Directors;
- review of the reasonableness of the impairment test model and its parameters, also through comparison with external data and information;
- analysis of events occurring after the reporting date;
- review of the disclosures provided in the notes to the financial statements in relation to investments in subsidiaries and to the impairment test.

Responsibilities of the Directors and the Audit Committee for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05 and, within the terms established by law, 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 they have identified the existence of the conditions for the liquidation of the Company or for the termination of the operations or have no realistic alternative to such choices.

The Audit Committee is responsible for overseeing, within the terms established by law, 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 International Standards on Auditing (ISA Italia) 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 International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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- 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 Directors;

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, 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 applicable in Italy, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report.

Other information communicated pursuant to art. 10 of the EU Regulation 537/2014

The Shareholders' Meeting of Pininfarina S.p.A. has appointed us on May 13, 2022 as auditors of the Company for the years from December 31, 2022 to December 31, 2030.

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We declare that we have not provided prohibited non-audit services referred to in art. 5 (1) of EU Regulation 537/2014 and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the Audit Committee referred to in art. 11 of the said Regulation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion on the compliance with the provisions of the Delegated Regulation (EU) 2019/815

The Directors of Pininfarina S.p.A. are responsible for the application of the provisions of the European Commission Delegated Regulation (EU) 2019/815 with regard to the regulatory technical standards on the specification of the single electronic reporting format (ESEF – European Single Electronic Format) (hereinafter referred to as the "Delegated Regulation") to the financial statements as at December 31, 2024, to be included in the annual financial report.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 700B in order to express an opinion on the compliance of the financial statements with the provisions of the Delegated Regulation.

In our opinion, the financial statements as at December 31, 2024 have been prepared in XHTML format in accordance with the provisions of the Delegated Regulation.

Opinions and statement pursuant to art. 14, paragraph 2, sub-paragraphs e), e-bis) and e-ter), of Legislative Decree 39/10 and pursuant to art. 123-bis, paragraph 4, of Legislative Decree 58/98

The Directors of Pininfarina S.p.A. are responsible for the preparation of the report on operations and the report on corporate governance and ownership structure of Pininfarina S.p.A. as at December 31, 2024, including their consistency with the related financial statements and their compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations and of some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 with the financial statements;
- express an opinion on the compliance with the law of the report on operations and of some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98;
- make a statement about any material misstatement in the report on operations and in some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98.

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In our opinion, the report on operations and the specific information contained in the report on corporate governance and ownership structure are consistent with the financial statements of Pininfarina S.p.A. as at December 31, 2024.

In addition, in our opinion, the report on operations and the specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Santo Rizzo
Partner

Turin, Italy
April 29, 2025

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

ACTIVUS CONNECT LLC

Management Certified Financial Statements for the year ended 31st December, 2024

Board of Directors
Mr. Birendrakumar Udairaj Sen
Mr. Raman Sawhney
Mr. Sanjay Choithramani
Mr. Devarajan Sevelimedu Veeravalli

Registered office
7512 Dr Phillips Drive
Suite 50-158
Orlando, Florida
32819

Banker
JP Morgan Chase

COMBINED BALANCE SHEETS AT DECEMBER 31, 2024 AND 2023

		2024	2023
Current assets			
Cash and cash equivalents		**$ 1,642,688**	$ 3,972,042
Accounts receivable, net	3	**15,579,421**	12,884,617
Due from related parties	4	**3,472,385**	4,274,701
Prepaid expenses and other current assets		**6,165,726**	152,990
		26,860,220	21,284,350
Non-current assets			
Property and equipment, net	5	**86,646**	59,665
		86,646	59,665
Total Assets		**$ 26,946,866**	$ 21,344,015
Current liabilities			
Accounts payable		**$399,974**	$460,332
Accrued payroll compensation		**2,498,760**	2,249,804
Due to related parties	4	**226,570**	1,256,817
Income taxes payable via Parent		**4,200,226**	1,649,721
		7,325,530	5,616,674
Total liabilities		**7,325,530**	5,616,674
Commitments and contingencies (Note 8)			
Member’s equity	7	**19,621,336**	15,727,341
Total liabilities and member’s equity		**$ 26,946,866**	$ 21,344,015

Sanjay Choithramani
Board Manager & CEO

COMBINED STATEMENTS OF OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	Schedules	2024	2023
Outsourcing revenue		**$ 38,469,420**	$ 56,292,497
Cost of outsourcing	I	**29,276,534**	42,146,739
Total cost of revenues			
GROSS PROFIT		**$ 9,192,886**	$ 14,145,758
OPERATING EXPENSES:			
Personnel	II	**5,343,499**	5,383,033
General and administrative	III	**705,169**	500,019
Total operating expenses		**6,048,668**	5,883,052
OPERATING PROFIT		**$ 3,144,218**	$ 8,262,706
OTHER INCOME			
Interest income		**$39,662**	
Total other income		**39,662**	-
Profit before income tax expense		**$ 3,183,880**	$ 8,262,706
Income tax expense	Note 6	**(710,115)**	2,170,811
NET INCOME		**$ 3,893,995**	$ 6,091,895

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

Sanjay Choithramani
Board Manager & CEO

COMBINED STATEMENTS OF CHANGES IN MEMBER'S EQUITY FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	Member's Capital	Accumulated Profits	Member's Equity
Balance at December 31, 2022	$ 371,313	$ 9,264,133	$ 9,635,446
Net income for the period	-	6,091,895	6,091,895
Balance at December 31, 2023	**$ 371,313**	**$ 15,356,028**	**$ 15,727,341**
Net income for the period	-	3,893,995	3,893,995
Balance at December 31, 2024	**$ 371,313**	**$ 19,250,023**	**$ 19,621,336**
Note	7		

COMBINED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Cash flows from operating activities		
Net income	**$ 3,893,995**	$ 6,091,895
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	**38,623**	36,937
Changes in operating assets and liabilities:		
Accounts receivable, net	**(2,694,804)**	(4,919,201)
Due from related parties	**802,316**	(1,694,832)
Prepaid expenses	**(6,012,736)**	(128,345)
Accrued compensation	**248,956**	(301,796)
Due to related parties	**(1,030,247)**	643,191
Accounts payable	**(60,358)**	206,050
Income taxes payable via Parent	**2,550,505**	821,692
Net cash provided by operating activities	**(2,263,750)**	755,591
Cash flows from investing activities		
Capital expenditures	**(65,604)**	-
Net cash used in investing activities	**(65,604)**	-
Net increase in cash	**(2,329,354)**	755,591
Cash and cash equivalents at beginning of period	**3,972,042**	3,216,451
Cash and cash equivalents at December 31	**$ 1,642,688**	$ 3,972,042
Supplemental disclosure of cash flow information:		
Taxes paid	**$ (522,216)**	$ (852,777)

NOTES TO THE FINANCIAL STATEMENTS AT DECEMBER 31, 2024 AND 2023

1. NATURE OF OPERATIONS

Activus Connect LLC and Activus Connect PR LLC (Collectively referred to as "the Company") provides customer service outsourcing. The Company outsources staff to clients throughout the United States and Puerto Rico and through its SmartVirtual CX platform, the Company is dedicated to elevating the customer service experience of its clients, and supporting customers through phone, email, text, video, chat, web, social media or self-serve bots.

Activus Connect LLC was formed in the State of Florida on September 13, 2018. Activus Connect PR, LLC was formed in Puerto Rico on February 03, 2020. The Company is wholly-owned by Tech Mahindra (Americas) Inc. ("the Parent").

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 the United States of America (U.S. GAAP).

B. BASIS OF COMBINATION

The accompanying financial statements reflect the combined results of Activus Connect LLC and Activus Connect PR LLC for the period ended December 31, 2024. All significant intercompany accounts and transactions have been eliminated in the combined results.

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 support services contracts (outsourcing arrangements) are recognized as the services are performed and the amounts are earned. The Company considers amounts to be earned once evidence of an arrangement has been obtained, services have been provided, fees are fixed or determinable, and collectability is reasonably assured.

Revenues from support services are presented on the statement of operations, net of allowances or adjustments for agreed changes to reimbursed costs.

E. COST OF REVENUE

This includes all direct costs for employees consisting of salaries, payroll taxes, insurance costs, commissions as well as reimbursable costs such as travel, lodging or entertainment.

F. INCOME TAXES

The Company accounts for state 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.

In accordance with guidance in ASC 740-10-30-27, Activus Connect, LLC 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.

G. ACCOUNTS RECEIVABLE AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

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. The amounts are written off when determined to be uncollectible by management.

The amount of bad debt expense was $0 for the years ended December 31, 2024 and 2023 and the amount of the allowance for doubtful receivables expense was $0 for the years ended December 31, 2024 and 2023.

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 2024 and 2023, there was no activity in the allowance for credit losses as the allowance for credit losses was deemed to be trivial. Accordingly, as of December 31, 2024 and 2023, the balance for allowance for credit losses was $0.

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. 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:

- Computers – three years;

  Expenditures for maintenance and repairs are charged to 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 performs a review of the property and equipment at the end of each project for any impairment of those assets. Property and equipment acquisitions are based on the customer requirement per project. Any such impairment would result in a permanent reduction in the recorded value of the asset. No such impairments existed at December 31, 2024.

J. 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. Refer to Note 4 for details regarding related party transactions.

3. ACCOUNTS RECEIVABLE, NET

At December 31, accounts receivable balances were as follows:

	2024	**2023**
Amounts due for services rendered and billed	**$ 15,579,421**	$ 1,916,399
Less: allowance for doubtful accounts	**-**	-
Amounts due for services rendered and billed, net	**15,579,421**	1,916,399
Amounts due for services rendered, not billed	**-**	10,968,218
Total accounts receivable, net	**$ 15,579,421**	$ 12,884,617

During the year, the Company had transactions with the following related parties. At December 31, the Company had payables due (to) from related parties as follows:

Tech Mahindra (Americas), Inc. ("TMA")	**2024**	**2023**
Due (to) from consists of:		
Amounts due to TMA	**(221,858)**	(1,215,934)
Amounts due from TMA	**2,826,784**	17,605
	$ 2,604,926	$ (1,198,329)

Tech Mahindra Limited ("TML")	**2024**	**2023**
Due (to) from consists of:		
Amounts due to TML	**(4,712)**	(40,883)
Amounts due from TML	**517,079**	3,980,156
	$ 512,367	$ 3,939,273

Eventus Solutions Group, LLC ("Eventus")	**2024**	**2023**
Due (to) from consists of:		
Amounts due to Eventus	**-**	-
Amounts due from Eventus	**128,524**	276,940
	$ 128,524	$ 276,940
Total amounts due to related parties	**(226,570)**	(1,256,817)
Total amounts due from related parties	**3,472,387**	4,274,701
	$ 3,245,817	$ 3,017,884

5. PROPERTY AND EQUIPMENT, NET

At December 31, property and equipment balances were as follows:

	2024	**2023**
Computers and equipment	**$ 167,887**	$ 102,283
Less: accumulated depreciation	**(81,241)**	(42,618)
	$ 86,646	$ 59,665

Reconciliation of carrying value of property and equipment for the twelve months ended December 31, was as follows:

	2024	**2023**
Carrying value at the beginning of the year	**$ 59,665**	$ 96,602
Additions	**65,604**	-
Depreciation	**(38,623)**	(36,937)
Carrying value at the end of the year	**$ 86,646**	$ 59,665

The depreciation policies followed by the Company are disclosed in Note 2I above.

6. INCOME TAXES

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

	2024	**2023**
Current income tax expense consists of the following:		
Federal	**$ (803,412)**	$ 1,790,865
State	**15,358**	367,976
Foreign	**77,939**	11,970
Total current income tax expense	**$ (710,115)**	$ 2,170,811

In the ordinary course of business there are transactions 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. MEMBER'S EQUITY

	2024	2023
Issued number of units	**1,100**	1,100

On December 3, 2021 Tech Mahindra (Americas), Inc ("TMA") entered into an agreement with the members of the Company whereby it acquired 100% of the shares in the Company.

8. COMMITMENTS AND CONTINGENCIES

No commitments and contingencies to disclose as of date of these financial statements.

9. SUBSEQUENT EVENTS

No significant events occurred subsequent to the balance sheet date that would have a material impact on the financial statements.

COMBINED SUPPLEMENTAL SCHEDULES OF EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2024

	Activus Connect LLC	Activus Connect PR, LLC	Total
	$	$	$
Schedule I			
COST OF OUTSOURCING			
Personnel expenses	$ 28,426,113	$ 480,385	$ 28,906,498
Software subscriptions	266,893	-	266,893
Commissions	64,520	-	64,520
Depreciation	38,623	-	38,623
	$ 28,796,149	**$ 480,385**	**$ 29,276,534**
Schedule II			
PERSONNEL			
Personnel expenses	4,741,668	601,831	5,343,499
	$ 4,741,668	**$ 601,831**	**$ 5,343,499**
Schedule III			
GENERAL AND ADMINISTRATIVE			
Legal and professional fees	$ 234,667	$ (8,996)	$ 225,671
Advertising and marketing	131,685	-	131,685
Office supplies, printing and postage	94,715	62,576	157,291
Recruitment	33,637	-	33,637
Software expenses	63,554	-	63,554
Dues and subscriptions	20,652	2,428	23,080
Travel expenses	22,619	-	22,619
Meals and entertainment	4,530	468	4,998
Insurance	2,452	-	2,452
Office equipment	6,334	-	6,334
Miscellaneous expenses	21,273	6,209	27,482
Utilities	3,792	366	4,158
Charitable contributions	-	-	-
Bank charges	2,040	168	2,208
	$ 641,950	**$ 63,219**	**$ 705,169**

COMBINED SUPPLEMENTAL SCHEDULES OF EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2023

	Activus Connect LLC	Activus Connect PR, LLC	Total
	$	$	$
Schedule I			
COST OF OUTSOURCING			
Personnel expenses	$ 40,929,367	$ 684,422	41,613,789
Software subscriptions	323,382	-	323,382
Commissions	172,631	-	172,631
Depreciation	36,937	-	36,937
	$ 41,462,317	**$ 684,422**	**$ 42,146,739**
Schedule II			
PERSONNEL			
Personnel expenses	4,695,515	687,518	5,383,033
	$ 4,695,515	**$ 687,518**	**$ 5,383,033**
Schedule III			
GENERAL AND ADMINISTRATIVE			
Legal and professional fees	$ 186,892	$ 182	$ 187,074
Advertising and marketing	95,539	-	95,539
Recruitment	45,688	-	45,688
Software expenses	38,203	-	38,203
Dues and subscriptions	32,304	-	32,304
Insurance	30,281	1,165	31,446
Office supplies, printing and postage	20,173	-	20,173
Travel expenses	11,455	-	11,455
Meals and entertainment	10,467	-	10,467
Charitable contributions	9,475	-	9,475
Miscellaneous expenses	50	5,509	5,559
Utilities	5,413	-	5,413
Bank charges	5,000	-	5,000
Office equipment	1,985	238	2,223
	$ 492,925	**$ 7,094**	**$ 500,019**

Sanjay Choithramani
Board Manager & CEO

PF HOLDINGS B.V.

Unaudited Financial Statement for the year ended 31st March 2025

Board of Directors

Mr. Sandeep Phadke

Mr Suresh Babu V – Appointed on 1st May 2024

Mr. Narasimham Venkata Rachakonda – Appointed on 27th July 2024

Mr Velusamy Ramasamy – Appointed on 7th June 2024

Mr Manoj Kumar Harlalka – Appointed on 22nd July 2024

Mr. Vikram N Nair – Resigned on 26th July 2024

Mr. Gurpratap Singh Boparai – Resigned on 6th June 2024

Mr. Harish Kumar Gupta – Resigned on 19th July 2024

Registered Office

Maanplein 20, 2516 CK, The Hague, the Netherlands

BALANCE SHEET

EURO in Thousand

	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-Current Assets			
Financial Assets			
Investments	3	**47,750**	48,370
Total Non-Current Assets		**47,750**	48,370
Current Assets			
Financial Assets			
Cash and Cash Equivalents	4	**36**	72
Total Current Assets		**36**	72
Total Assets		**47,786**	48,442
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	5	**81,730**	81,730
(b) Other Equity	6	**(34,167)**	(33,502)
Total Equity		**47,563**	48,228
Liabilities			
Non Current liabilities			
(a) Financial Liabilities			
(i) Long Term Borrowings	7	**100**	100
(ii) Other Financial Liabilities	8	**14**	5
Total Non Current Liabilities		**114**	105
Current liabilities			
(a) Financial Liabilities			
(i) Short Term Borrowings		**-**	-
(ii) Trade Payables	9	**41**	40
(iii) Other Financial Liabilities	10	**68**	69
Total Current Liabilities		**109**	109
Total Equity and Liabilities		**47,786**	48,442
See accompanying notes forming part of the financial statements	1-20		

For PF Holdings B.V.

Velusamy Ramasamy
Director

Place: Chennai
Date: 13-06-2025

Suresh Babu Veerasamy
Director

Place: Pulheim, Germany
Date: 13-06-2025

STATEMENT OF PROFIT AND LOSS

EURO in Thousand

	Statement of Profit and Loss	Note No.	For the year ended	
			March 31, 2025	March 31, 2024
I	Revenue from Operations		**-**	-
II	Other Income	11	**1**	-
III	**Total Revenue (I +II)**		**1**	-
IV	**EXPENSES**			
	Finance Cost		**8**	5
	Other Expenses	12	**38**	27
	Impairment of non-current investments	17	**620**	10,905
	Total Expenses		**666**	10,937
V	**Loss before Tax (III-IV)**		**(665)**	(10,937)
VI	**Tax Expense**			
	Current Tax	13	**-**	-
	Deferred Tax		**-**	-
	Total Tax Expense		**-**	-
VII	**Loss after tax (V-VI)**		**(665)**	(10,937)
VIII	**Other Comprehensive Income**			
A	I. Items that will not be reclassified to Profit or Loss			
	II. Income Tax relating to items that will not be reclassified to Profit or Loss		**-**	-
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		**-**	-
	Total Other Comprehensive Income (A+B)		**-**	-
IX	**Total Comprehensive Loss (VII + VIII)**		**(665)**	(10,937)
	Earnings per Equity Share (Face Value Euro 1) in Euro	15		
	Basic		**(0.0101)**	(0.1661)
	Diluted		**(0.0101)**	(0.1661)
See accompanying notes forming part of the financial statements		1-20		

For PF Holdings B.V.

Velusamy Ramasamy
Director

Place: Chennai
Date: 13-06-2025

Suresh Babu Veerasamy
Director

Place: Pulheim, Germany
Date: 13-06-2025

STATEMENTS OF CHANGES IN EQUITY

A. Equity Share Capital

EURO in Thousand

Balance as of April 1, 2023	Changes in equity share capital during the year	Balance as of March 31, 2024
81,730	-	81,730

Balance as of April 1, 2024	Changes in equity share capital during the year	Balance as of March 31, 2025
81,730	-	**81,730**

B. Other Equity - Reserves and Surplus - Retained Earnings

EURO in Thousand

	As at **March 31, 2025**	As at March 31, 2024
Balance as at the beginning of reporting year	**(33,502)**	(22,565)
Loss for the Year	**(665)**	(10,937)
Total Comprehensive Loss	**(34,167)**	(33,502)

For PF Holdings B.V.

Velusamy Ramasamy
Director

Place: Chennai
Date: 13-06-2025

Suresh Babu Veerasamy
Director

Place: Pulheim, Germany
Date: 13-06-2025

CASH FLOW STATEMENT

EURO in Thousand

		For the year ended	
		March 31, 2025	March 31, 2024
A	**Cash Flow from Operating Activities**		
	Loss Before Tax	(665)	(10,937)
	Adjustments for :		
	Impairment of non-current investments	620	10,905
	Interest on loan	8	5
	Movement in working capital:		
	Trade Payable	1	7
	Cash Flow from Operations	(36)	(20)
	Income Tax Refund / (Paid) (net)	-	-
	Net Cash Flow from / (used in) Operating Activities (A)	(36)	(20)
B	**Cash Flow from Investing Activities**	-	-
	Net Cash (used in) Investing Activities (B)	-	-
C	**Cash Flow from Financing Activities**		
	Loan received from Intercompany	-	-
	Net Cash Flow from Financing Activities (C)	-	-
	Net (decrease) in Cash and Cash Equivalents during the year D = (A+B+C)	(36)	(20)
	Cash and Cash Equivalents at the beginning of the year (E)	72	92
	Cash and Cash Equivalents at the end of the year F = (D+E)	36	72

EURO in Thousand

Components of cash and cash equivalents	**As at March 31, 2025**	As at March 31, 2024
Balances with Banks :		
In Current Accounts (Refer Note 4)	36	72
	36	72

For PF Holdings B.V.

Velusamy Ramasamy
Director

Place: Chennai
Date: 13-06-2025

Suresh Babu Veerasamy
Director

Place: Pulheim, Germany
Date: 13-06-2025

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 Corporate information

PF Holdings B.V. (“Company”) was incorporated on April 29, 2016. The principal place of business of the Company is at 2516, CK, The Hague, Maanplein, 20, The Netherlands.

The principal activities of the Company are financing of the acquisition and constitution of the subsidiary company and enabling the shareholders to fulfill the terms of acquisition in documents including the further capitalisation of the subsidiary and the proposed mandatory tender offer in relation to acquisition of public shareholding of the subsidiary. The Company is a 60% subsidiary of Tech Mahindra Limited (India).

The financial statements of the Company for the year ended March 31, 2025 were authorised for issue by the Board of Directors on 13th June 2025.

2 Material accounting policies:

2.1 Statement of Compliance:

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs, as amended from time to time.

2.2 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013. These financial statements have been prepared by the Company solely for the purpose of placing the audited financial statements of the Company along with the consolidated financial statements of Tech Mahindra Limited (“the ultimate holding company”) on the website of the ultimate holding company as required under Section 136 of the 2013 Act.

As the company is not domiciled in India and hence not registered under Companies Act 2013, these financial statements have not been prepared to fully comply with the Companies Act 2013, and so they do not reflect all the disclosures requirements of the Act. These accounts are not statutory financial statements of the Company.

These financial statements have been prepared under the historical cost convention on an accrual and going concern basis except for certain financial assets and liabilities which have been measured at fair value (refer material accounting policy regarding financial instruments).

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous year.

All assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company’s normal operating cycle is twelve months.

Current/ Non-current classification.

The Company classifies an asset as current asset when:

(i) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

(ii) it holds the asset primarily for the purpose of trading;

(iii) it expects to realise the asset within twelve months after the reporting period; or

(iv) the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when-

(i) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

(ii) it holds the liability primarily for the purpose of trading;

(iii) the liability is due to be settled within twelve months after the reporting period; or

(iv) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

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

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

Level 3 Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The Financial statements have been prepared as per section 129 (1) of the Act to assist the Tech Mahindra Limited (Parent Company) for preparation of consolidated financial statements and for the purpose of compliance with the provisions of section 129 and Section 136 read with Schedule III of the Companies Act, 2013.

These financial statements are presented in Euro (“EUR”) which is also the Company’s functional currency. All amounts have been reported in Euros in thousands, except for share and earnings per share data, unless otherwise stated. Further, amounts which are less than half a thousand are reported as ‘0’.

2.3 Use of estimates

The preparation of financial statements requires the management of the company to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. 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.

Critical accounting estimates

Impairment testing

Investments in subsidiaries are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The calculation of recoverable value involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

2.4 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 Revenue recognition

Interest income is recognised using the effective interest rate method.

Dividend income is recognised when the Company's right to receive dividend is established.

2.6 Earnings per share

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the period.

For calculating diluted earnings per share, the net profit 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. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

2.7 Foreign currency transactions:

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the dates of Balance Sheet. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognized in the profit or loss.

2.8 Financial Instruments:

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

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

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

i. Non-derivative financial instruments:

Cash and cash equivalents

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

Financial assets at amortised cost

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

Investment in subsidiaries

Investment in subsidiaries is carried at cost less impairment as per Ind AS 27 Consolidated and Separate Financial Statements.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest rate method or at fair value through profit and loss (FVTPL). Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised in a business combination, or is held for trading or it is designated as FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit and loss.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ii. Derecognition of financial instruments

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. If the Company retains substantially all the risk and rewards of transferred financial assets, the Company continues to recognise the financial asset and also recognises the borrowing for the proceeds received. The Company derecognises financial liabilities when, and only when, the Company's obligation are discharged, cancelled or have expired.

iii. Financial Guarantee contracts

Financial guarantee contracts issued by the Company are initially measured at fair value and subsequently measured at the higher of the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

2.9 Taxes on income

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the country. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted as at the reporting date and applicable for the period.

Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are recognised in other comprehensive income or directly in equity, respectively.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax asset 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 credits and unused tax losses can be utilised.

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

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax assets and liabilities are offset when it relates to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

2.10 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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

2.11 Leases:

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

Company as a Lessee

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

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

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate specific to the lease being evaluated for a portfolio of leases with similar characteristics. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in standalone statement of profit and loss.

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

2.12 Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.13 Recent pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time for the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

2.14 Going concern

These financial statements have been prepared on a going concern basis. The management has assessed the cash flow projections and available liquidity for a period of at least twelve months from the date of these financial statements. Based on this evaluation, Management believes that the Company will be able to continue as a 'going concern' in the foreseeable future and for a period of at least twelve months from the date of these financial statements based on the following :

i) Expected future operating cash flows based on business projections,

ii) Unconditional financial support letter dated " 16th May 2025 " provided by the Holding company "Tech Mahindra Limited" agreeing to support Company in meeting all its financial obligations. Based on the above factors, Management has concluded that the "going concern" assumption is appropriate. Accordingly, the financial statements do not include any adjustments regarding the recoverability and classification of the carrying amount of assets and classification of liabilities that might result, should the Company be unable to continue as a going concern.

Note 3 : Investments : Non Current

EURO in Thousand

Particulars	As at March 31, 2025	As at March 31, 2024
In subsidiary- quoted		
62,013,249 (31st March 24 : 62,013,249) Equity Shares of Euro 1 each fully paid-up of Pininfarina S.p.A.	**81,366**	81,366
Less: Provision for impairment of value of investment (Refer Note 17)	**(33,616)**	(32,996)
Total	**47,750**	48,370
Aggregate book value of Investments	**81,366**	81,366
Aggregate amount of Impairment in value of Investments	**(33,616)**	(32,996)

Note 4: Cash and cash equivalents

EURO in Thousand

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In Current Accounts	**36**	72
Total	**36**	72

Note 5 : Equity Share Capital

Particulars	March 31, 2025		March 31, 2024	
	Number	EURO in Thousand	Number	EURO in Thousand
Authorised				
Equity shares of Euro 1/- each with voting rights	**65,840,125**	**81,730**	65,840,125	81,730
Issued, Subscribed and Paid up	**65,840,125**	**81,730**	65,840,125	81,730
Reconciliation of number of Equity Shares and amount outstanding				
Shares outstanding at the beginning of the year and end of the year	**65,840,125**	**81,730**	65,840,125	81,730
Issued, Subscribed and Paid up	**65,840,125**	**81,730**	65,840,125	81,730

Shareholding of Promoters is as follows:

Name of Shareholder	As at 31-March-2025		As at 31-March-2024		% Change during the year
	No. of shares held	% of Holding	No. of shares held	% of Holding	
Tech Mahindra Limited	**39,504,075**	**60%**	39,504,075	60%	0%
Mahindra & Mahindra Limited	**26,336,050**	**40%**	26,336,050	40%	0%

Number of shares held by each shareholder holding more than 5 percent of the Equity Shares of the Company are as follows:

Name of Shareholder	31-March-2025		31-March-2024		% Change during the year
	No. of shares held	% of Holding	No. of shares held	% of Holding	
Tech Mahindra Limited	**39,504,075**	**60%**	39,504,075	60%	0%
Mahindra & Mahindra Limited	**26,336,050**	**40%**	26,336,050	40%	0%

Note 6 : Other Equity

EURO in Thousand

Particulars	As at March 31, 2025	As at March 31, 2024
Retained Earnings		
Balance as at the beginning of reporting year-	**(33,502)**	(22,565)
Loss for the Year	**(665)**	(10,937)
Total Comprehensive Loss	**(34,167)**	(33,502)

i) Share capital includes a sum of Euro 15,889,899,(Number of shares: 15,889,899 of Euro 1 each) being financial guarantee given by Tech Mahindra Limited to the bankers of Pininfarina S.p.A. during the financial year ending 2016, which has been accounted as equity contribution in accordance with Ind AS 109.

ii) Each Equity Share entitles the holder to one vote and carries an equal right to dividend.

iii) Capital Management: The Company manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company currently consists of total equity of the Company. The Company is not subject to any externally imposed capital requirements. The Company's management reviews the capital structure of the Company on an ongoing basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital.

Note 7 : Long Term Borrowings

EURO in Thousand

Particulars	As at March 31, 2025	As at March 31, 2024
Loan from Tech M GmbH (Fellow subsidiary)	100	100
Total	100	100

Note 7(a) : Schedule of repayment

Long-term Borrowings of Euro 100 Thousands is due on or before 27th April '26 along with an Interest of 5.46% p.a.

Note 8 : Other Financial Liabilities

EURO in Thousand

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued on Loan	**14**	5
Total	**14**	5

Note 9 : Trade Payable

EURO in Thousand

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Payables	**41**	40
Total	**41**	40

Ageing of Trade Payables as on March 31, 2025

EURO in Thousand

Particulars	Outstanding for following period from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	**-**	**-**	**-**	**-**	**-**
(ii) Undisputed dues	**5**	**-**	**30**	**-**	**35**
(iii) Disputed dues – MSME					
(iv) Disputed dues					
Total	**5**	**-**	**30**	**-**	**35**
Accrued Expenses					**6**
Total Payables					**41**

Aging Trade Payables as on March 31, 2024

EURO in Thousand

Particulars	Outstanding for following period from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(i) Undisputed dues	6	26	4	-	36
(ii) Disputed dues- MSME	-	-	-	-	-
(iii) Disputed dues	-	-	-	-	-
Total	6	26	4	-	36
Accrued Expenses					4
Total Payables					40

Note 10 : Other Financial Liabilities

EURO in Thousand

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued on Loan	**68**	69
Total	**68**	69

Note 11 : Other Income

EURO in Thousand

Particulars	As at March 31, 2025	As at March 31, 2024
Forex exchange Gain/loss	**1**	-
Total	**1**	-

Note 12 : Other Expenses

EURO in Thousand

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Rates and taxes	**22**	14
Legal and other professional costs (refer note below 12(a)	**16**	13
Total	**38**	27

Note 12(a) : Auditor's Remuneration

EURO in Thousand

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Audit Fee	**5**	4
Total	**5**	4

Note 13 : Tax Expenses

EURO in Thousand

Reconciliation of effective tax rates :	For the year ended	
	March 31, 2025	March 31, 2024
Losses before taxes	**(665)**	(10,937)
Enacted tax rates	**25%**	25%
Expected tax expense/(benefit)	**(166)**	(2,734)
Effect of :		
Expenses disallowed for tax purpose	**155**	2726
Unrecognised deferred tax asset	**11**	8
Actual Tax expense	**-**	-

The company has incurred net loss amounting to Euro 665 Thousand (PY 10,937 Thousand) and has not recognised the net deferred tax asset , because it is not probable that future taxable profit will be available against which the company can use the benefits therefrom. This will be re-assessed in subsequent years.

Brought forward losses for which no deferred tax assets have been recognized are as follows:

Particulars	As at	
	March 31, 2025	March 31, 2024
Unused tax losses*	**482,582**	437,943
Net Deferred tax asset/ (liabilities)		
* The following table details the expiry of the brought forward tax losses		
1-5 years	**-**	-
6-10 years	**-**	-
More Than 10 years	**482,582**	437,943

Note 14 : Related Party Transactions

i) Details of related parties:

Sr. No.	Description of relationship	Names of related parties
1	Holding Company	Tech Mahindra Limited
2	Shareholder having significant influence	Mahindra and Mahindra Limited
3	Subsidiary Company	Pininfarina S.p.A.
4	Fellow -subsidiary Company	Mahindra Engineering Services UK
5	Fellow -subsidiary Company	Tech Mahindra GmbH

ii) Details of related party transactions during the year ended March 31, 2025 and balances outstanding as at March 31, 2025:

Sr. No.	Particulars	Holding Company	Shareholder having significant influence	Fellow-subsidiary Company	Subsidairy	Total
	Transactions during the Year					
1	Interest on Loan	-	-	8	-	8
		-	-	(5)	-	(5)
2	Reimbursement of expenses	5	-	-	-	5
		(4)	-	-	-	(4)
	Balances outstanding at the end of the year					
1	Investment (Net of provision for impairment)	-	-	-	47,750	47,750
		-	-	-	(48,370)	(48,370)
2	Payable on account of Exp. Reimbursement	(35)	-	-	-	(35)
		(31)	-	-	-	(31)
3	Loan	-	-	100	-	100
		-	-	(100)	-	(100)
4	Interest on Loan payable	-	-	82	-	82
		-	-	(69)	-	(69)

Note : Figures in brackets represent figures relating to previous year ending March 31, 2024.

15. Earnings Per Share is calculated as follows:

Particulars	EURO in Thousand	
	As at March 31, 2025	As at March 31, 2024
Loss after taxation	**(665)**	(10,937)
Equity Shares outstanding as at the end of the year (in nos.)	**65,840,125**	65,840,125
Weighted average Equity Shares outstanding as at the end of the year (in nos.)	**65,840,125**	65,840,125
Nominal Value per Equity Share (in EUR)	**1**	1
Earnings Per Share:		
Earnings Per Share (Basic) (in EUR)	**(0.0101)**	(0.1661)
Earnings Per Share (Diluted) (in EUR)	**(0.0101)**	(0.1661)

16 Financial Instruments and Risk Review

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) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

(b) Liquidity Risk:

Liquidity risk refers to the risk that the company cannot meet its financial obligation. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirement.

The table below provides details regarding the contractual maturities of significant financial liabilities as on March 31, 2025:

EURO in Thousand

Particulars	**Less than 1 year**	**1-3 years**	**3-5 years**	**5 years and above**	**Total**
Borrowings	-	100	-	-	100
Trade Payables	11	30	-	-	41
Other Financial liabilities	14	68	-	-	82
Total	**25**	**198**	**-**	**-**	**223**

The table below provides details regarding the contractual maturities of significant financial liabilities as on March 31, 2024

Particulars	Less than 1 year	1-3 years	3-5 years	5 years and above	Total
Borrowings	-	100	-	-	100
Trade Payables	6	34	-	-	40
Other Financial liabilities	5	69	-	-	74
Total	11	203	-	-	214

The following table summerizes financial assets and liabilities measured at fair value on recurring basis and financial assets that are not measured at fair value on recurring basis. (but fair value disclosure are required) The different levels have been defined as follows -

Level 1 : Quoted Prices (unadjusted) in active markets for financials assets or liabilities at net marketable value.

Level 2 : Inputs other than quoted prices included within level -1 that are observable for asset or liability either directly (i.e.as prices) or indirectly (i.e.derived from prices).

Level 3 Inputs for the assets or liabilities that are not based on observable market area (Unobservable Inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

EURO in Thousand

Particulars	**Level 1**	**Level 2**	**Level 3**
Borrowings	-	-	100
Trade Payables	-	-	41
Other Financial Liabilities	-	-	82
Total	**-**	**-**	**223**

The table below provides details regarding summerizes financial assets and liabilities measured at fair value on recurring basis and financial assets that are not measured at fair value on recurring basis as on March 31, 2024:

EURO in Thousand

Particulars	Level 1	Level 2	Level 3
Borrowings	-	-	100
Trade Payables	-	-	40
Other Financial Liabilities	-	-	74
Total	-	-	214

The carrying value and fair value of financial instruments by categories as on March 31, 2025 as -

EURO in Thousand

Particulars	Amortised Cost	Total Carrying Value	Total Fair Value
Assets:			
Cash and cash equivalents	36	36	36
Other Receivables	-	-	-
Total Assests	**36**	**36**	**36**
Liabilities:			
Borrowings	100	100	100
Trade Payables	41	41	41
Other Financial Liabilities	82	82	82
Total Liabilities	**223**	**223**	**223**

The carrying value and fair value of financial instruments by categories as on March 31, 2024 as -

EURO in Thousand

Particulars	Amortised Cost	Total Carrying Value	Total Fair Value
Assets:			
Cash and cash equivalents	72	72	72
Total Assests	72	72	72
Liabilities:			
Borrowings	100	100	100
Trade Payables	40	40	40
Other Financial Liabilities	74	74	74
Total Liabilities	**214**	**214**	**214**

17. The Company has investment in subsidiary Pininfarina S.p.A. This investment is accounted for at cost less impairment. Management assesses the operations of the subsidiary, including the future projections, to identify indications of diminution, other than temporary, in the value of investment recorded in the books of account.

In case where impairment triggers are identified, the recoverable amount of the investment is estimated in order to determine the extent of the impairment loss. With respect to determination of recoverable amount of investment based on fair value less costs of disposal, the fair value measurement of the asset is determined using the market approach and is categorised as Level 1 in the fair value hierarchy.

The relevant economic and market indicators have led the Company to reassess recoverable amount in it's subsidiary, as at March 31, 2025.

At 31 March 2025, the recoverable amount of this investment was Euro 47,750 Thousand (31st March 24 : Euro 48,370 Thousand).

The carrying amount of the investment of Euro 48,370 Thousand was determined to be higher than its recoverable amount and an impairment loss of Euro 620 Thousand (March 31, 2024: Euro 10,905 Thousand) has been charged in books.

18. The Company is engaged in the financing of the acquisition and constitution of the subsidiary company. As the Company is engaged in only one business segment, the balance sheet as at 31 March 2025 and statement of profit and loss for the year ended then pertain to only one business segment.

The Company's operations is primarily located in the Netherlands. As the Company has only one geographical segment, the balance sheet as at 31 March 2025 and statement of profit and loss for the year ended then pertain to only one geographical segment.

19. Additional Regulatory Information

Financial Ratios

	Particulars	Numerator (1)	Denominator (2)	31 March 2025 (3)=(1/2)	31 March 2024 (3)=(1/2)	Variance %
1.	Current Ratio (in %)	Total Current Assets	Total Current Liabilities	33%	66%	-33%
2.	Return on Equity Ratio (in %)	Net Profit After Tax	Average Shareholders' Equity	-1%	-20%	19%
3.	Trade Payable Turnover Ratio (in times)	Net credit purchases	Average Trade Payable	0.94	0.74	20%
4.	Return on Capital Employed (in %)	Earnings Before Interest & Tax	Average Capital Employed i.e. Average Net Worth of the entity	-1%	-20%	19%
5.	Debt Equity Ratio	Debt	Equity	0.21%	0.21%	0%
6.	Debt Service Coverage Ratio	Net Profit After Tax+ Interest + Non- cash operating expense	Debt + Interest	(0.20)	(0.16)	-5%

Reasons for Variance -

1. Decrease in current ratio due to decrease in current assets.

20. The company does not have any contingent liabilities as at 31 March 2025 and 31 March 2024.

For PF Holdings B.V.

Velusamy Ramasamy
Director

Place: Chennai
Date: 13-06-2025

Suresh Babu Veerasamy
Director

Place: Pulheim, Germany
Date: 13-06-2025

TARGET GROUP LIMITED

Board of Directors
Ms. Aileen Wallace
Mr. Andrew James Mcintyre
Mr. Pankaj Subhash Kulkarni - Appointed on 25th April 2024
Mr. Peter Anthony O'Connor
Mr. Vivek Satish Agarwal - Resigned on 25th April 2024

Registered office
Imperial Way, Coedkernew, Newport, Wales, NP10 8UH

Auditor
MHA Audit Services LLP.
London, United Kingdom

STRATEGIC REPORT

This strategic report has been prepared for Target Group Limited and its subsidiary undertakings (the "Group" or "Target Group") and includes matters which are significant to all Group entities.

Review of the business

Principal activities

The principal activities of Target Group blend FCA-regulated Business Process Services (BPS) with cutting-edge digital transformation, providing expert outsourcing, managed services and software solutions. We are trusted to deliver for top-tier banks, financial services leaders and public sector innovators to deliver exceptional customer experiences. We combine Target Group's FCA-regulated financial services, customer servicing and platform expertise with the digital transformation and infrastructure excellence of our parent, Tech Mahindra. Bringing best-in-class solutions aiming to transform customer experiences. For more than 40 years we have delivered services in highly regulated mission critical environments, and our platform supports billions of pounds of business.

Through Elderbridge Limited, which is part of the Target Group, we act as lender of record for lending portfolios, providing management services for portfolio owners in the FCA regulated environment.

Financial review

Target Group's turnover for the year ended 31 March 2025 of £47,806k (31 March 2024 of £54,919k) represents a decrease of 13% (2024: decrease of 17%). The gross margin for the year was 33% (2024: 20%). The Group has reported a consolidated loss before taxation of £7,685k (2024: loss before taxation £14,677k). Operating loss decreased from £14,718k for the year ended 31 March 2024 to an operating loss of £7,368k for the year ended 31 March 2025.

The macro-economic climate has continued to have an impact on our financial performance: the nature of portfolios we service are predominantly closed books and therefore, year-on-year our associated revenue has been declining. Alongside limited new business, which has overall impacted our top line revenue as such we have focussed on the continuation of our business plan and strategy, which is focussed on the simplification of the company, driving efficiencies and a move to a product-based approach.

The execution of our strategy is the key driver for the significant improvement reported in gross margin and longer-term stability of the group. Target Group has continued to transform the way the business operates through a strategy of simplifying and rightsizing the organisation, increasing flexibility and streamlined ways of working for our people; improving service offerings to clients; and harnessing the global scale of our parent organisation Tech Mahindra ("Tech M"). Target Group has integrated with Tech M's Business Process Services arm and is working to deliver joint service offerings to global clients and building a global service pipeline.

Target Group is a wholly owned subsidiary of Tech Mahindra Fintech Holdings Limited, with the ultimate parent company being Tech Mahindra Limited. In March 2025, Tech Mahindra Fintech Holdings Limited completed an equity injection into Target Group Limited of £4m with a further £3m to follow in June 2025, which has been used to provide ongoing support for the business to deliver on its new strategy, alongside its regulatory commitments. The capital injection ensured Target Group had positive net assets at 31 March 2025 and the ongoing support gives the Directors of Target Group confidence that the companies of the Group can continue to operate as a going concern.

There is an ongoing project to review and remediate historical issues related to the servicing of client portfolios, this has continued in the year and is expected to complete in the next twelve months. In the year to 31 March 2024, a provision of £7.2m was recorded in the Group's accounts; this year, following further work on detailed account level modelling, the provision has decreased to £5.6m. This is another significant factor in the year-on-year improvement in the operating loss reported. Successful closure of the project will drive further improvement in Target's financial performance in the future and reduce the risk exposure. Further detail is available in Note 16 to the financial statements.

We closely monitor the impact of macroeconomic challenges on our customers. Our proven track record in successfully supporting our customers through challenging times provides confidence that we will continue to meet the changing needs of our customers and colleagues as we move forward underpinned by our strategy and the ongoing support of our parent company, Tech Mahindra.

The following key performance indicator data illustrate the annualised comparison:

	2025 £'000	**2024 £'000**
Revenue	**47,806**	54,919
Loss before taxation	**(7,685)**	(14,677)

Our markets

Our clients are predominantly providers of lending, payment collections, and investment products, across top-tier financial institutions, both in the public and private sectors. We service these markets through 3 key offerings: Business Process Services, Managed Services and IT Software Solutions. Target Group is part of the Tech Mahindra global family, working alongside the broader capabilities and services provided by Tech Mahindra, focusing on digital transformation and infrastructure excellence.

Business performance

The operational structure of the business continues to progress through significant transformation and optimisation with further reductions delivered and expected to our operating cost-base, thus driving improvements to underlying profitability. Our integration with Tech Mahindra continues to evolve, with new technology, new ways of jointly working and supporting our clients being rolled out to ensure we generate value to our clients. We believe that a combined Target/Tech Mahindra approach to business propositions will deliver significant opportunities for future growth in the UK and in new geographies aligned to the verticalized structured of Tech Mahindra

Within our existing client portfolio, several high-profile clients took the decision to renew their contracts with Target Group during the year, demonstrating the strong customer, colleague and client focussed approach we deliver to all our clients. We expect that our continued focus on operational excellence will see us securing additional contract extensions as we move forward. Our new business pipeline has also grown significantly in value, through adopting our refreshed go-to-market strategy.

People

In April 2024, Vivek Agarwal resigned as Chairman with Pankaj Kulkarni appointed as his replacement. Pankaj brings more than 25 years of experience working in global markets and is the growth and expansion lead of Tech Mahindra's BFSI charter for the Europe region. There were no other changes to directors of Target Group Limited in the year to 31 March 2025.

The average number of colleagues has reduced in the year from 754 to 643, reflecting the effects of the challenges the Group has experienced over the last few years and the right-sizing exercises undertaken to deliver its strategy.

Our focus on our people continues to be a core part of our strategy and is driving ongoing positive engagement and feedback from our teams. Built around a clear set of values and behaviours, our employee recognition scheme ensures we recognise individuals and teams that make an outstanding contribution across the business. We also have a localised reward scheme, "MyRecognition" which provides small rewards to swiftly recognise great examples of our Target Group wide values and behaviours.

We continue to place a significant focus on colleague well-being through a range of initiatives and events, regular activities centred around our community and investment in learning and development. To further improve employee engagement, we have committed to moving to a hybrid working model split between our offices and home working. This coincided with ongoing improvements to our office spaces ensure that we actively promote collaboration, focus on wellbeing and our colleagues to create an inclusive working environment.

Our Equality, Diversity & Inclusion working group continues to drive initiatives at the heart of our values. At Target Group we are delighted to have a diverse workforce, and we have continued to support and encourage engagement through a number of activities involving our employees.

We have an award-winning ED&I strategy, with our working group comprising colleagues from across Target. The five pillars within our Diversity and Inclusion Strategy are: gender, multi-generational, disability, multicultural, and LGBTQ+. These key pillars run throughout our people priorities and are embedded in the way we do things.

We recognise the importance of using an individual's pronouns, and we encourage our colleagues to include pronouns in their communications. We have an ED&I calendar which includes motivational talks from external speakers, training from colleagues who are experts in various fields, and a comprehensive communications calendar which we use to celebrate

events and draw attention to key issues across the full spectrum of gender, sexual orientation, religions, ethnicities, abilities, and ages.

As part of our suite of annual compulsory e-learning modules, all Target colleagues participate in our interactive ED&I e-learning. Training includes what equality diversity and inclusion is, the role we can all play in our culture, challenges and barriers to an inclusive culture, unconscious bias, developing an inclusive culture, and how to use signposting services to specialist ED&I charities/organisations. We also have a dedicated ED&I page on our intranet which provides a wealth of information including relevant policies, guidelines, and factsheets.

Our People strategy has resulted in a number of key achievements in the past year including:

- Annualised attrition reducing to 20%
- Reduced Gender Pay Gap by 9ppts
- Average tenure of over 7 years
- Over 1500 learning hours invested in Leadership Development
- 143 days volunteering in the local community
- Over £10,600 raised for our chosen charity, Action for Children

Employee engagement results or survey participation (Best Companies)

We achieved an 80% completion rate in our Best Companies survey, which is a strong response rate and reflects high colleague engagement. Our score of 595 was just short of the “Ones to Watch” threshold. Over the past four years, we’ve consistently earned “Ones to Watch” status, so while we narrowly missed out this time, we remain committed to continuous improvement and are proud of the engagement we’ve sustained during a period of significant change.

Gender split by role / leadership level

Our mean gender pay gap has reduced to 19.58% – the lowest we’ve ever reported – reflecting a 9% improvement compared to last year. This positions us significantly below the Finance and Insurance Industry average of 29.70%, reinforcing our commitment to equity and inclusion. We’ve also increased female representation in senior management roles from 30% in 2020 to 41% today, showing strong progress in building a more balanced leadership team.

Training hours per employee / leadership development programmes

We delivered a total of 13,932 training hours over the past year, which equates to approximately 23 hours of learning per person – a great result. We also supported the development of our future leaders through two Aspire cohorts and one Inspire cohort, who all successfully completed structured leadership development programmes between April 2024 and March 2025.

Health & Safety data (including mental health and wellbeing)

We continue to prioritise colleague wellbeing through initiatives such as Help@Hand – a fully integrated Employee Assistance Programme offering 24/7 support for both emotional and practical matters. We’ve also trained 15 colleagues as Mental Health First Aiders, ensuring there’s always someone available to offer support when needed. From a health and safety perspective, we’ve had four reported accidents or near misses in the past 12 months – three onsite and one offsite while a colleague was volunteering to plant trees. All incidents were minor and promptly addressed, reflecting our commitment to a safe working environment.

Our annualised absence rate is currently 3.14%, which is well below our 4% target – a positive indication of colleague wellbeing and engagement.

Social impact of our services

While we don’t currently measure our social impact in a formal way, we take our responsibilities seriously. We work closely with vulnerable customers every day and are fully committed to upholding the principles of Consumer Duty. Supporting those in financial difficulty is at the heart of what we do, and we continue to embed empathy and fairness into every interaction.

Environmental:

Energy and Carbon Reporting

For the period from 1 April 2024 to 31 March 2025 the consumption of reportable energy for the Target Group was 1,457,241kWh and 39,343 miles of travel reimbursements to employees. (2024: 1,569,449kWh and 29,823 miles of travel mileage reimbursements to employees). This equated to:

- 293 tCO2e from the purchase of electricity (2024: 313 tCO2e)
- 14 tCO2e from the purchase of gas (2024: 17 tCO2e)
- 11 tCO2e from miles travelled by employees (2024: 10 tCO2e)

Target Group does not own any of its building, nor are they occupied under finance leases. We have no authority to improve energy efficiency of the buildings without the agreement and investment from our landlords.

Intensity Ratio:

The group used on average 1 kgCO2 for every £150.41 of turnover (2024: 1kg CO2 for every £161.16).

We have calculated our emissions based on the Activity data (kWh or mileage) x Emission Factor.

As our energy usage is invoiced directly from our suppliers, we have taken the usage of electricity and is directly from the supplier invoices to determine the Activity data. For mileage, we have used employee expense claims to determine the Activity data. We have used data from the Government Greenhouse gas reporting conversion factors:(https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors_2024_condensed_set_for_most_users_v1_1.xlsx) as the emissions factor source.

Energy Efficiency:

We are committed to improving operations to enhance environmental performance. Having previously undertaken an independent Carbon Footprint Gap Analysis, we have:

- Moved to a green tariff, with all energy provided from 100% renewable sources
- Phased out the use of single-use plastics
- Installed ‘free to use’ electric vehicle (EV) charging points onsite
- Completed an extended rollout of LED lighting across sites to improve efficiency.
- Introduced a ‘hybrid’ working strategy to reduce building and commuting emissions
- Implemented sustainable policies around technology lifecycle management, with 98% of returned lease devices re-purposed/re-sold.

Target Group also operates an Environmental Management System (EMS) that aligns with ISO14001:2025 (accreditation achieved since 2021). Operating an EMS provides a clear framework to meet compliance obligations, prevent pollution, safeguard against the impacts of climate change, and ultimately protect the environment.

Governance

Who’s responsible for ESG in the business?

ESG is something we all play a part in. While our Senior People Partner, leads the work alongside our ESG Working Group, the responsibility for making progress in this space sits with everyone across the business.

The Working Group brings together colleagues from different teams to help shape our approach and keep things moving. Their mission is about driving sustainable growth by building ESG into everything we do, from how we reduce our environmental impact, to how we support each other, and how we make decisions that are transparent and responsible.

We want to create long-term value not just for our colleagues and clients, but for the wider community too. Whether it’s through reducing our carbon footprint, championing inclusion, or doing the right thing by our customers, we’re committed to making a positive difference now and for the future.

Policy disclosures (anti-slavery, whistleblowing, anti-bribery, etc.)

We have clear policies in place to help us ensure we're doing things the right way. That includes policies such as anti-slavery, whistleblowing, anti-bribery. Al policies are accessible to everyone in the business and reviewed regularly to we stay in line with best practice. We also make sure colleagues know how to speak up if they have concerns and that they'll be supported if they do.

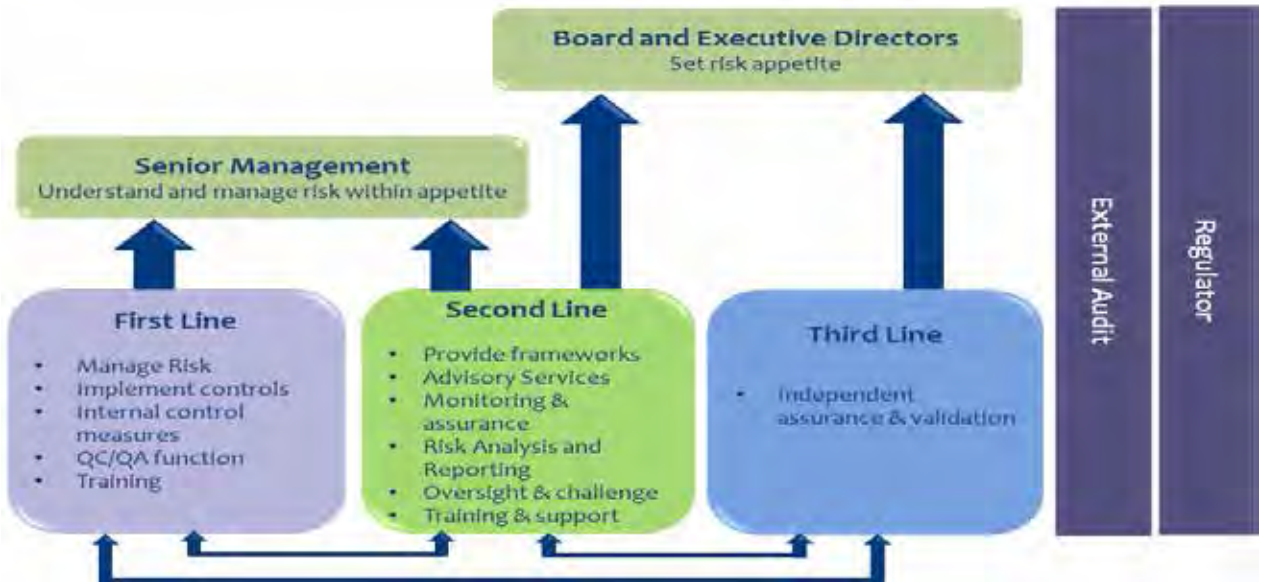
Code of Conduct and supplier standards

We have a Code of Conduct that sets out what we expect from each other, such as acting with integrity, being respectful, and taking accountability. We have supplier standards in place to make sure our partners live up to our values.

Principal risks and uncertainties

Risk management in Target Group

We seek to embed effective risk management through the application of a 'Three Lines of Defence' model to manage and mitigate risks and provide assurance over the control environment. The Framework is maintained by the Group Risk & Compliance function. Operations form the first line of defence and are responsible for day-to-day operational risk management. This is overseen by the Risk and Compliance Function operating as the second line of defence. The third line is Internal Audit which operates independently, as an outsourced arrangement with external providers.



Outputs from risk management activities are reviewed through the Risk Governance Framework, culminating in escalation to the Board's Group Risk Committee or Group Audit Committee which are sub committees of the Target Group Board. We continue to review and evolve our Risk Management Framework, and as a result our Risk Governance Framework was updated during the year. The Framework is set out in the diagram below.

Principal risk outlook

We aim to offer innovative technology-based servicing, software and product propositions, within the constraints of our financial resources and without compromising customer outcomes, our reputation or our brand. We only pursue opportunities that are well understood, that support the vision and strategy of the Group and where risks can be effectively managed.

The Group manages its risk profile across principal risk themes which are summarised below:

Risk Theme	Definition	Key Mitigations
Conduct	The risk that we don't achieve good outcomes for our customers/clients, or cause market instability through our actions.	Customer Outcomes, Vulnerable Customer and Complaints RCA forums Conduct Forum which reviews customer outcomes and discusses legal and regulatory changes - Monthly 1st Line QA and Outcomes Testing - Compliance Assurance Plan which has been approved by GRC - Key frameworks and policies in place (e.g. Complaints, Arears, Vulnerable Customers) - Company-wide Training programme
Operational	The risk of loss resulting from ineffective or failed internal processes, people, systems, or external events that can disrupt the flow of business operations.	- Fully established and resourced incident reporting process - Comprehensive resource management approach - Dedicated Risk and Compliance Business expertise for departments - Dedicated Business Continuity / Operational Resilience expertise
People	The risk of not having the sufficient number or sufficiently experienced people within the Group to adequately meet business demand.	- Key frameworks and policies in place (e.g. Recruitment, Remuneration, Absence) - Comprehensive resource management approach

Risk Theme	Definition	Key Mitigations
Technology & Change	The risk relating to any technology failure, information security incident, cyber-attack, data breach or failure to successfully deploy change that disrupts the business.	- Key frameworks and policies in place (e.g. Cyber Security, Data Protection, Information Security) - Fully established and resourced incident reporting process - Dedicated data security teams
Regulatory	The risk that the Group does not meet its existing or emerging legal and regulatory obligations.	- Fully resourced Compliance Advisory team - Horizon Scanning process in place with monthly bulletin produced and published - Conduct Forum which reviews customer outcomes and discusses legal and regulatory changes - Monthly 1st Line QA and Outcomes Testing - Compliance Assurance Plan which has been approved by GRC - Key frameworks and policies in place (e.g. Complaints, Arears, Vulnerable Customers)
Legal & Commercial	The risk that the Group does not meet its legal obligations or fails to optimise its commercial opportunities.	- Fully resourced Legal Counsel team - Client Management processes - Contract reviews - Third Party Management
Strategic	The risk that the Group fails to grow in line with its strategic aim	- Defined growth strategy, that has been rolled out company wide, with accompanying measures to monitor progress - Dedicated Growth and Sales teams - Appropriate governance of the bid lifecycle. - Utilisation of relationship with parent company to leverage broader opportunities for growth
Financial	The risk that the Group is unable to effectively manage its financial commitments.	- Continued Tech Mahindra (parent company) investment and support into the Group, evidenced by equity injection. - Comprehensive approach to budget approval and sign-off - Financial governance surrounding monthly performance against plan - Maturity in relation to 5-year plans.

Section 172 Statement

We are a trusted provider of outsourced services within the financial services sector and as such we seek to put the customers of our clients first, invests in its employees, support the communities in which we operate, and strive to generate sustainable profits for shareholders.

The Directors of the Company have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

Section 172 considerations are embedded in decision making at Board level and throughout the Group. Where applicable, any issues, factors and stakeholders which the Directors consider when discharging their duty under section 172(1) are detailed within the strategic report and directors' report within these annual statements.

Our business purposes and the risks facing our organisation are set out in the strategic report, including those relating to our people and our social responsibilities practices, including examples of stakeholder engagement with employees and suppliers.

Events after the reporting period

In May 2025 management received confirmation of an insurance claim being accepted for £2m in the Group's favour.

In June 2025 a £3m equity injection into Target Group Limited was completed by Tech Mahindra Fintech Holdings Limited and subsequently a £1m equity injection into Target Servicing Limited was completed by Target Group Limited.

Future developments

Target Group's management team is fully committed to delivering the complete overhaul of its strategy and operations, delivering the remediation of historical issues, and returning the Group to profitability. This will enable Target Group to focus on maintaining strong client relationships and delivering future growth prospects through our product offerings and close partnering with Tech Mahindra.

A continually evolving services market will lead to opportunities with both established players and disruptive entrants. The continued strengthening of our relationship with senior stakeholder in Tech M should position the Group well to secure new client opportunities and evolve existing relationships.

Focus for the next 12 months will be on continued execution of the business strategy, including embedding an optimised operating model, further technology enhancements to streamline the colleague and customer journeys, business cases for modernisation of our technology platform, further shift towards a product-based company, building our pipeline to enable long-term growth aspirations and execution and closure of the historic remediation programme. Delivery of this business strategy is firmly aligned to the overall goals and aims of Tech Mahindra who are seeking to grow their footprint within the UK & Europe with a clear strategic intent to expand Banking Financial Services & Insurance market offerings. Overall, Tech Mahindra is committed to the longer-term support and funding of Target Group so the business can further grow and enhance its offerings.

Ultimately the success of Target Group will be determined by the success of our clients, and I would like to take this opportunity to thank our clients for their continued support and business.

By order of the Board

Imperial Way
Coedkernew
Newport NP10 8UH
Registered number 01208137

P. A. O'Connor
Director

13 June 2025

DIRECTORS' REPORT

The directors present their annual report together with the financial statements and auditor's report, for the year ended 31 March 2025.

In accordance with Section 414C (11) of the Companies Act 2006, certain information around the trading activities of Target Group is contained within the Strategic Report.

Results and dividends

Our results are set out in the consolidated profit and loss account and the strategic report. The directors elected not to declare a dividend during the year *(2024: £nil)*.

Directors

The directors who held office during the year were as follows:

V.S. Agarwal (resigned 25 April 2024)

P.S. Kulkarni (appointed 25 April 2024)

A.J. McIntyre

P.A. O'Connor

A. Wallace

Directors' indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the prior period and remain in force at the date of this report.

Financial risk management objectives and policies

Our activities expose Target Group to numerous financial risks including credit risk, cash flow risk and liquidity risks.

Cash flow risk

All treasury matters are coordinated via the relevant group functions of the ultimate parent entity Tech Mahindra Limited. Tech Mahindra have provided cash injection via equity over recent years to mitigate cash flow risk.

There is minimal interest rate risk to Target Group as no debt is held with parties external to the Tech Mahindra group, except finance leases and an overdraft facility provided by HSBC.

Credit risk

Target Group's principal financial assets are cash at bank and trade and other receivables.

Target Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of cash flows.

Target Group has no significant concentration of credit risk, with exposure spread over a large number of clients. Most of our clients are blue chip investment, retail banking, finance and insurance companies, and government bodies which represent a low credit risk.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, we use short-term debt finance when required. Finance leases are used by the company to facilitate the purchase of long-term assets.

Regulatory risk

Target Servicing Limited is classified as an Article 3 MiFID exempt firm and also holds the status as ISA Plan Manager with HMRC.

Elderbridge Limited was established in 2014 as a loan servicing company authorised and regulated by the Financial Conduct Authority (FCA). The entity holds various lending permissions for consumer credit and mortgages.

Target Group's compliance function reviews the group's regulatory requirements on an ongoing basis to ensure compliance with all relevant permissions held.

Political contributions

No political donations were made during the year *(2024: nil)*.

Disabled employees

We are committed to promoting diversity and inclusion in our recruitment practices. Candidates are assessed based on aptitude and qualification and we make reasonable accommodations to support employees who develop disabilities during their career at Target Group.

Employee consultation

Target 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 Target 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.

Energy and Carbon Reporting

For the period from 1 April 2024 to 31 March 2025 the consumption of reportable energy for the Target Group was 1,569,449kWh and 29,823 miles of travel mileage reimbursements to employees. This equated to:

- 313 tCO2e from the purchase of electricity
- 17 tCO2e from the purchase of gas
- 11 tCO2e from miles travelled by employees]
- Our carbon emissions relate to Scope 1 (gas use and reimbursed mileage) and Scope 2 (purchased electricity). We have not quantified Scope 3 emissions this year due to materiality thresholds but intend to review this annually.

Energy efficiency

Target Group does not own any of its buildings, nor are they occupied under finance leases. We have no authority to improve the energy efficiency of the buildings without agreement and investment from our landlords.

Whilst we encourage energy efficiency best practice with our employees, the health and welfare of our employees always comes first.

Intensity Ratio

The group used on average 1 kgCO2 for every £150.41 of turnover (2024: 1kg CO2 for every £161.16).

We have calculated our emissions based on the Activity data (kWh or mileage) x Emission Factor.

As our energy usage is invoiced directly from our energy suppliers, we have taken the usage of electricity and gas directly from the supplier invoices to determine the Activity data. For mileage, we have used employee expense claims to determine the Activity data. We have used data from the Government Greenhouse gas reporting conversion factors: (https://proddrupal-files.storage.googleapis.com/documents/resource/public/Conversion_factor_introductory_guide.pdf) as the emissions factor source.

Statement of engagement with suppliers, customers and others in a business relationship with the group

We value our customer relationships deeply and all clients have a specific Client Account Manager to ensure regular and relevant engagement. Given that we are a business that provides long-term services to clients, the ability to develop and foster our client relationships is key to our success. We use client satisfaction surveys as a key metric to engage with our clients to monitor and continuously improve our services to them

We proactively engage with our suppliers recognising that we have some key supplier relationships that are fundamental to the quality of our services, therefore ensuring that we meet the high standards of conduct that we set ourselves. We perform due diligence on our suppliers and therefore view it as critical to ensure that they meet the high standards of conduct that we set ourselves.

We perform due diligence on our suppliers before entering a relationship to assess whether they meet the standards of conduct we expect. We conduct frequent supplier meetings, the regularity of which are done on a risk-based approach, with all suppliers tiered in accordance with their size and how business critical their services are to us. In June 2023 we introduced a new supplier management tool to improve the rigour around third party management.

Other information

An indication of any likely future developments in the business and particulars of significant events which have occurred since the end of the financial period are included in the Strategic Report.

Disclosure of information to Independent Auditors

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 Independent Auditors are 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 Independent Auditors are aware of that information.

Independent Auditors

The auditor, MHA, previously traded through the legal entity MacIntyre Hudson LLP. In response to regulatory changes, MacIntyre Hudson LLP ceased to hold an audit registration with the engagement transitioning to MHA Audit Services LLP. MHA will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

By order of the Board

Imperial Way
Coedkernew
Newport NP10 8UH
Registered number 01208137

P. A. O'Connor
Director

13 June 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

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 they have elected to prepare the group and parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), 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 group and parent company and that of the group's profit or loss for that period. In preparing each of the group and parent company 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;
- assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TARGET GROUP LIMITED

Opinion

We have audited the financial statements of Target Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, and notes to the financial statements, including 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 group's and parent company's affairs as at 31 March 2025 and of the group's loss for the year then ended;
- have been properly prepared in accordance with UK 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with those 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 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 group and parent 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 auditor's 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.

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 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.

In the light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

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 by the parent company, or returns adequate for our audit have not been received by branches not visited by us; or
- the parent company 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

As explained more fully in the directors' responsibilities statement, 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 group and parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor 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 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the group and the parent company operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Reviewing key correspondence with regulatory authorities such as the Financial Conduct Authority, Irish Auditing and Accounting Supervisory Authority;
- Reviewing minutes of meetings of those charged with governance;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Enquiry of management around actual and potential litigation and claims;
- Enquiry of management to identify any instances of known or suspected instances of fraud;
- Discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud;
- Reviewing the control systems in place and testing the design and implementation of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for bias; and
- Challenging assumptions and judgements made by management in their significant accounting estimates.

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 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 Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Rakesh Shaunak FCA
(Senior Statutory Auditor)

for and on behalf of MHA, Statutory Auditor
London, United Kingdom
13 June 2025

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542)

CONSOLIDATED PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

	Note	Year ended 31-Mar-25 £'000	Year ended 31-Mar-24 £'000
Turnover	3	**47,806**	54,919
Cost of sales		**(32,129)**	(43,755)
Gross profit		**15,677**	11,164
Administrative expenses		**(23,045)**	(25,882)
Operating loss		**(7,368)**	(14,718)
Interest payable and similar expenses	4	**(317)**	41
Loss before taxation	7	**(7,685)**	(14,677)
Taxation	9	**3,684**	3,274
Loss after taxation		**(4,001)**	(11,403)
Other comprehensive loss		**-**	-
Total comprehensive loss		**(4,001)**	(11,403)

All results relate to continued operations.

Notes forming part of these financial statements.

TARGET GROUP CONSOLIDATED BALANCE SHEET AT 31 MARCH 2025

	Note	31-Mar-25		31-Mar-24	
		£'000	£'000	£'000	£'000
Fixed Assets					
Intangible assets	10		**423**		3,469
Tangible assets	11		**2,668**		1,029
Debtors – due after one year	13		**6,436**		5,093
			9,527		9,591
Current assets					
Debtors – due within one year	13	**13,323**		23,786	
Cash at bank and in hand	8	**10,192**		2	
		23,515		23,788	
Creditors: amounts falling due within one year	14	**(21,739)**		(20,199)	
Net current assets			**1,776**		3,589
Total assets less current liabilities			**11,303**		13,180
Creditors: amounts falling due after more than one year	15		**(1,095)**		(1,294)
Provision for liabilities	17		**(7,363)**		(9,040)
Net assets			**2,845**		2,846
Capital and reserves					
Called up share capital			**2,045**		1,845
Share Premium Account			**23,966**		20,166
Capital redemption reserve			**68**		68
Accumulated losses			**(23,234)**		(19,233)
Shareholders Funds			**2,845**		2,846

These financial statements were approved by the Board of Directors on 13 June 2025 and were signed on its behalf by:

P.A. O'Connor
Director

TARGET GROUP LIMITED COMPANY BALANCE SHEET AT 31 MARCH 2025

	Note	31-Mar-25		31-Mar-24	
		£'000	£'000	£'000	£'000
Fixed Assets					
Intangible assets	10		**423**		3,469
Tangible assets	11		**2,008**		352
Debtors – due after one year	13		**1,261**		801
Investment in Subsidiary holding	12		**6,056**		6,056
			9,748		10,678
Current and non-current assets					
Debtors – due within one year	13	**13,237**		13,039	
Cash at bank and in hand	8	**2,685**		2	
		15,922		13,041	
Creditors: amounts falling due within one year	14	**(21,783)**		(20,775)	
Net current assets			**(5,861)**		(7,734)
Total assets less current liabilities			**3,887**		2,944
Creditors: amounts falling due after more than one year	15		**(62)**		-
Provision for liabilities	17		**(889)**		(538)
Net assets			**2,936**		2,406
Capital and reserves					
Called up share capital			**2,045**		1,845
Share Premium Account			**23,966**		20,166
Capital redemption reserve			**68**		68
Accumulated losses			**(23,143)**		(19,673)
Shareholders Funds			**2,936**		2,406

The loss for the financial year dealt with in the financial statements of the parent company was £3,470k *(2024:* The loss for the financial year dealt with in the financial statements of the parent company was £22,128k).

These financial statements were approved by the Board of Directors on 13 June 2025 and were signed on its behalf by:

P.A. O'Connor
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Equity attributable to equity shareholders of the Group

	Share capital	Share premium account	Capital redemption reserve	Accumulated losses	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2023	810	501	68	(7,830)	(6,451)
Total comprehensive income for the year					
Investment made by parent entity	1,035	19,665	-	-	20,700
Loss for the year	-	-	-	(11,403)	(11,403)
Balance at 31 March 2024	**1,845**	**20,166**	**68**	**(19,233)**	**2,846**
Total comprehensive income for the year					
Investment made by parent entity	200	3,800	-	-	4,000
Loss for the year	-	-	-	(4,001)	(4,001)
Balance at 31 March 2025	**2,045**	**23,966**	**68**	**(23,234)**	**2,845**

COMPANY STATEMENT OF CHANGES IN EQUITY

Equity attributable to equity shareholders of the Company

	Share capital	Share premium account	Capital redemption reserve	Accumulated losses	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2023	810	501	68	2,455	3,834
Total comprehensive income for the year					
Investment made by parent entity	1,035	19,665	-	-	20,700
Loss for the year	-	-	-	(22,128)	(22,128)
Balance at 31 March 2024	**1,845**	**20,166**	**68**	**(19,673)**	**2,406**
Total comprehensive income for the year					
Investment made by parent entity	200	3,800	-	-	4,000
Loss for the year	-	-	-	(3,470)	(3,470)
Balance at 31 March 2025	**2,045**	**23,966**	**68**	**(23,143)**	**2,936**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 MARCH 2025

1 Significant accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

General information and basis of accounting

Target Group Limited is a company incorporated in the United Kingdom under the Companies Act.

The Company is a private Company limited by shares and is registered in England and Wales. The address of the registered office of the Company and all its subsidiary companies is Imperial Way, Coedkernew, Newport, NP10 8UH.

The nature of the group's operations and its principal activities are set out in the Strategic report and Directors' report.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (*"FRS 102"*) and the Companies Act, 2006.

The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000 unless otherwise denoted.

The functional currency of Target Group Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which Target Group operates. The consolidated financial statements are also presented in pounds sterling.

The consolidated financial statements of Tech Mahindra Limited, within which this Company is included, can be obtained from the National Stock Exchange of India Limited (NSE), The BSE Limited (BSE) and the Company's website (www.techmahindra.com).

Financial Reporting Standard 102 – Reduced Disclosure Exemptions

As permitted by Section 408 of the Companies Act, 2006, no profit and loss account or statement of other comprehensive income is presented in respect of the parent Company. The profit attributable to the Company is disclosed in the footnote to the Company's balance sheet.

Target Group Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions per FRS 102 1.12 which are available to it in respect of its separate financial statements, which are presented alongside these consolidated financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

Going concern

The Directors have considered the appropriateness of preparing the financial statements on a going concern basis, taking into account the Company's current financial position, its cash flow forecasts, and its position within the wider Group.

Target Group Limited is a wholly owned subsidiary of Tech Mahindra Fintech Holdings Limited, whose ultimate parent company is Tech Mahindra Limited. In March 2025, Tech Mahindra made an equity injection into the Group with a further investment in Q1 FY26, demonstrating its commitment to the Group's long-term future and its confidence in the Group's strategic direction under the current leadership. These investments restored the Group to a positive shareholder funds position and strengthened its cash reserves.

The company does not have any external debt with parties outside the Tech Mahindra Group, other than an overdraft facility. It has in place a £4m loan from Tech Mahindra London Limited to facilitate short-term working capital requirements. Management's expectation is that this loan will be repayable at such time when the short-term working capital forecasts of the Company can support this, in part or whole. The loan repayment is reflected in Management's financial and cash flow forecasts.

Forecasts prepared by management, covering a period of at least 12 months from the date of approval of these financial statements, indicate that the Company will have sufficient resources to meet its obligations as they fall due. These forecasts incorporate expected cash flows from operations and, if necessary, continued financial support from Tech Mahindra.

The Directors have also considered business-as-usual risks, including the renewal and securing of key contracts, and are satisfied that these have been appropriately reflected in the Company's forecasts. The Directors have concluded that there are no known material uncertainties that cast significant doubt over the Company's ability to continue as a going concern.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company, and all its subsidiary undertakings made up to 31 March 2025, and previously to 31 March 2024. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed.

Business combinations are accounted for under the purchase method. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Foreign currency

Transactions in foreign currencies are translated to the Group 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 the balance sheet 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.

Foreign exchange differences arising on translation are recognised in the profit and loss account. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on retranslation are recognised in other comprehensive income.

Business combinations

Business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the Company.

Intangible assets - Goodwill

Goodwill arising on the acquisition of subsidiary undertakings and businesses representing the excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight-line basis over its useful economic life. Provisions are made for any impairment.

Goodwill is carried at cost less accumulated amortisation and accumulated impairment losses. Estimates of the useful economic life of goodwill are based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses. The directors consider each acquisition separately for the purpose of determining the amortisation period, being the period over which the directors estimate that economic benefit will continue to be derived from the purchase as:

Goodwill on consolidation arising on acquisition of subsidiary undertakings	5 – 10 years

Intangible assets – research and development

Research expenditure is written off as incurred. Development expenditure is also written off, except where the directors are satisfied as to the technical, commercial and financial viability of individual projects. In such cases, the identifiable expenditure is deferred and amortised over the period during which the Group is expected to benefit. This period is between 2 and 6 years. Provisions are made for any impairment. See note 2 for further details.

Other intangible assets

Intangible assets acquired as part of a business acquisition are capitalised separately from goodwill if the fair value can be measured reliably on initial recognition.

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment. Intangible assets are amortised on a straight-line basis over their estimated useful economic lives as follows:

Customer contracts	5 years
Brand	5 years
Capitalised development costs	2 to 6 years

The Company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date. Goodwill and other intangible assets are tested for impairment in accordance with FRS102 Section 27 Impairment of assets when there is an indication that goodwill or an intangible asset may be impaired.

Tangible fixed assets

Tangible fixed assets are stated at their historic cost, net of depreciation and any provision for impairment. Historical cost includes expenditure that is 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. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less the estimated residual value, of each asset on a straight-line basis over their estimated useful economic lives from the point they are brought into use as follows:

Short leasehold property	-	the term of the lease
Computer equipment	-	3-7 years
Fixtures and fittings	-	3-10 years

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

The Company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

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 Group after deducting all of its liabilities.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions, are subsequently measured at amortised cost using the effective interest method:

a. Returns to the holder are (i) a fixed amount; or (ii) a positive fixed rate of return over the life of the instrument; or (iii) a positive variable return that, throughout the life of the instrument, is equal to a single referenced quoted or observable interest rate; or (iv) some combination of such fixed rate and variable rates, providing that both rates are positive.

b. There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

c. Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in relevant taxation or law.

d. There are no conditional returns or repayment provisions except for the variable rate return described in (a) and prepayment provisions described in (c).

Debt instruments that are classified as payable or receivable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Trade and other debtors / 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.

Investments

In the Company balance sheet, investments in subsidiaries and associates are measured at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents may comprise both cash balances and call deposits.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the profit and loss as described below.

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.

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.

Taxation

Current tax, including UK corporation 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 Group'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.

The tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

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

Interest receivable and interest payable

Interest payable and similar charges include interest payable and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

Turnover

Turnover represents amounts (excluding value added tax) derived from the provision of solutions to third-party customers, in accordance with the requirements of FRS 102. Revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of revenue can be measured reliably.

Solutions are delivered through two primary types of arrangements, each of which is accounted for as follows:

1. Software Licences and Related Services

   Revenue from the sale of perpetual or term-use software licences is recognised when control of the software has transferred to the customer, typically upon delivery or installation, and when all significant obligations have been fulfilled. Where ongoing support or implementation services are provided alongside the licence, revenue is allocated between components based on their relative fair values and recognised as the services are delivered.

2. Business Process Servicing Contracts

   Revenue from BPS arrangements is recognised over time as the services are provided. These contracts typically involve ongoing operational activities, such as customer servicing, administration, or processing tasks, and revenue is recognised either on a straight-line basis or based on transaction volumes, depending on contract terms.

Other Considerations

Where a contract is partially complete at the balance sheet date, turnover represents the fair value of services provided to date based on stage of completion. Deferred income is recognised where customer payments are received in advance of service delivery.

Revenue recognition

Due to the complexity of some of the Group's contracts, there are judgements to be applied, including the measurement and timing of implementation revenue recognition and the recognition of assets and liabilities that result from the performance of the contract.

Retirement benefits

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Leases

Assets held under finance leases and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the

shorter of the lease terms and their useful lives. The capital elements of future obligations are recorded as liabilities, while the interest elements of the rental obligations are charged to the profit and loss account over the periods of the leases and to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged in the profit and loss account on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Provisions *(Note 10)*

Provisions are recognised when the group has a present legal or constructive obligation because of past events; it is probable that an outflow of resources will be required to settle the obligation, and the amount of the obligation can be estimated reliably. A provision is not made for future operating losses.

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

Details of the significant provisions recognised by Management are included in Note 2.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 1, the directors are required to make judgements, 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 historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The following are the critical judgements that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Revenue recognition

Due to the complexity of some of the Group's contracts, there are judgements to be applied, including the measurement and timing of revenue recognition and the recognition of assets and liabilities that result from the performance of the contract.

Provisions for costs

Onerous contract provision

The group provides for any contract where the unavoidable cost of delivering our contractual obligations exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net costs of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

Provision for remediation

The group has undertaken an exercise to identify instances where there have been areas of non-compliance with Financial Conduct Authority (FCA) regulation requirements, policies and procedures and / or customer loan terms and conditions. The judgements and estimations used are subject to a high degree of uncertainty and the group has used third party advice with internal analysis in assessing the value and appropriateness of recognising a provision liability for expected Target-liable remediation.

Dilapidations provision

The group provides for any contractual commitment to make good properties held on short-term leases. The provision includes both costs of removing leasehold improvements and costs of rectifying wear and tear. The timing and amount of the costs, which are expected to be entirely incurred within the next seven years, are subject to high degrees of uncertainty. We periodically seek third party expert advice regarding the likely costs and discount the liability to its present value using an appropriate interest rate.

Provision for restructuring

The group has undertaken an exercise to identify areas where the structure of the business can be changed to meet its current demand profile and changes to technology which allow for a more efficient operating model. Where these changes

are expected to result in a reduction in employees, a provision has been recognised where the group has a constructive obligation at the reporting date to proceed with the planned changes. Estimates of costs include several variables which have varying degrees of uncertainty depending on the individual circumstances of the impacted roles.

The Group provides for costs where future economic outflows are probable, but the timing or amount are uncertain. The provisions of significant value which have been recognised by the Group are detailed in Note 1, including details of where management has made estimates in the process of their calculation.

Research and development costs

In line with FRS 102, the Group capitalises expenditure on development activities where that expenditure meets the requirements of the standard i.e. a product or process is technically and commercially feasible, the Group intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and the Group can measure reliably the expenditure attributable to the intangible asset during its development.

Projects are assessed on an individual basis to determine which activities meet the eligibility criteria for capitalisation as an intangible asset. The days attributable to eligible activities based on the time recording system, together with management assessment of percentage attributable where required, are multiplied by the relevant day rate for that period and capitalised. Eligible non-staff costs are also capitalised where relevant. There are also judgements applied to the period over which the costs will be recovered. This determines the amortisation period appropriate for the asset.

Trade receivables recoverability - impairment

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of cash flows.

3 Turnover

Turnover by destination was UK £40,314k (*2024:* £46,492k) and rest of the world £7,492k (*2024: £8*,427k).

The table below sets out information for each of the group's industry segments:

	Software		Services		Total	
	2025	2024	**2025**	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000	**£'000**	£'000
Turnover	**19,935**	19,973	**27,871**	34,946	**47,806**	54,919

4 Interest payable and similar expenses

	Year ended 31 March 2025	Year ended 31 March 2024
	£'000	£'000
Bank interest and charges	**22**	99
Interest on borrowings	**273**	-
Hire purchase and finance cost	**22**	15
Other finance costs	**-**	(155)
	317	(41)

5 Staff numbers and costs

The average number of persons employed by the Group (including directors) during the year was as follows:

	Year ended 31 March 2025	Year ended 31 March 2024
Technical and operational	**521**	623
Sales, marketing, management and administration	**122**	131
	643	754

The aggregate payroll costs of these persons were as follows:

	Year ended 31 March 2025	Year ended 31 March 2024
	£'000	£'000
Wages and salaries	**24,524**	27,241
Social security costs	**2,501**	2,762
Severance	**1,908**	789
Pension costs	**1,229**	1,355
	30,162	32,147

6 Directors' remuneration

Emoluments of the directors of Target Group Limited were as follows:

	Year ended 31 March 2025	Year ended 31 March 2024
	£'000	£'000
Directors' emoluments	**537**	553
Company contributions to money purchase pension scheme	**24**	16
	561	569
The number of directors who:		
Are members of a money purchase pension scheme	3	2
Had awards receivable in the form of shares under a long-term incentive scheme	0	0

The aggregate of emoluments of the highest paid director were £216k *(2024: £216k)* and company pension contributions of £15k *(2024: £nil)* were made to a money purchase pension plan on their behalf.

7 (Loss) / Profit before taxation

	Year ended 31 March 2025	Year ended 31 March 2024
	£'000	£'000
Profit before taxation is stated after charging/(crediting):		
Amortisation of other intangible assets (note 9)	**512**	407
Depreciation (note 10)		
Owned	**338**	1,006
Leased	**119**	1,105
Rentals under operating leases - property	**941**	976
Foreign exchange loss / (gain)	**2**	4
Auditor's remuneration:		
Audit of these financial statements	**67**	52
Audit of financial statements of other group companies pursuant to legislation	**48**	58

Auditor's remuneration in respect of the company was £67k *(2024: £52k)*. Audit of other group companies relates to the audit fees for the subsidiaries Target Servicing Limited and Elderbridge Limited.

8 Cash at bank and in hand

Cash held by the group at 31 March 2025 is £10,192k (2024: £2k), of which £2,685k is held by the Company (2024: £2k). Cash is held throughout the year either in current accounts or on short-term fixed deposits.

Cash includes £7,500k (2024: £nil) set aside by management to provide readily accessible funds to meet the anticipated and potential requirements of the remediation programme (see Note 17).

9 Taxation

Total tax for the year comprises:

	Year ended 31-Mar-25	Year ended 31-Mar-24
	£'000	£'000
Current tax:		
UK Corporation tax on (loss)/profit for the year	(1,250)	(1,750)
Adjustments in respect of prior periods	(1,091)	(1,279)
Total current tax (credit)/charge	**(2,341)**	**(3,029)**
Deferred tax:		
Origination and reversal of timing differences	(475)	108
Adjustments in respect of prior periods	(868)	(353)
Total deferred tax (credit)/charge	**(1,343)**	**(245)**
Total tax (credit)/charge on (loss)/profit	**(3,684)**	**(3,274)**

The tax (credit)/charge is lower *(2024: lower)* than the standard rate of corporation tax in the UK of 25% *(2024: 25%)* as explained below:

	Year ended 31-Mar-25	Year ended 31-Mar-24
	£'000	£'000
Reconciliation of effective tax rate		
(Loss)/Profit for the year	**(4,001)**	(11,403)
Total tax (credit)/charge	**(3,684)**	**(3,274)**
(Loss)/Profit excluding taxation	(7,685)	(14,677)
Tax at 25% *(2024:25%)*	(1,921)	(3,669)
Effects of:		
Expenses not deductible for tax purposes	33	-
Adjustments in respect of prior periods	(1,959)	(1,632)
Unrecognised losses carried forward	163	2,027
Total charge for the year as above	**(3,684)**	(3,274)

The deferred tax balance as at 31 March 2025 has been calculated using a rate of 25% on deferred tax losses expected to be utilised in future periods and at the applicable rate of tax for the relevant year where it is expected that these losses will be surrendered for group relief.

Target Group Limited is part of a Group that operates in several jurisdictions. For periods commencing on or after 1 January 2024, new tax legislation is applicable to ensure the effective tax rate of the UK companies within the Group will be at least 15%, subject to various complex calculations. This is in line with the minimum taxation rules announced by the G7 and progressed by the OECD Inclusive Framework on Base Erosion and Profit Shifting. These rules have been implemented in the UK via the Domestic Top Up Tax legislation during the year.

Historically, Target Group Limited's effective rate has been below 15% because of tax adjusted losses. The company has assessed its future exposure to Domestic Top Up Tax to be immaterial based on the group structure at the reporting date. In addition, the temporary exemption has been taken in relation to recognising any deferred tax assets or liabilities in relation to the OECD pillar two income taxes.

10 Intangible Fixed Assets

Group	Development Costs £'000	Total £'000
Cost as at 1 April 2024	**3,980**	3,980
Additions	**-**	-
Disposals	**-**	-
As at 31 March 2025	**3,980**	3,980
Amortisation		
At 1 April 2024	**511**	511
Charge for the year	**512**	512
Impairment charge	**2,534**	2,534
As at 31 March 2025	**3,557**	3,557
Net Book Value		
At 31 March 2024	**3,469**	3,469
At 31 March 2025	**423**	423

Company	Development Costs £'000	Total £'000
Cost as at 1 April 2024	**3,980**	3,980
Additions	**-**	-
Disposals	**-**	-
As at 31 March 2025	**3,980**	3,980
Amortisation		
At 1 April 2024	**511**	511
Charge for the year	**512**	512
Impairment charge	**2,534**	2,534
As at 31 March 2025	**3,557**	3,557
Net Book Value		
At 31 March 2024	**3,469**	3,469
At 31 March 2025	**423**	423

Target Group made the decision in-year to cease the active marketing and sales development of its Mortgage Hub product for the foreseeable future, to focus on core revenue generating opportunities aligned to markets in which Target already has a strong presence. Consequently, an impairment charge of £2,534k was recognised. The IP and software have been retained and may be re-utilised in future periods, at which time the impairment charge will be reviewed as appropriate.

11 Tangible fixed assets

Group	Short Term Lease hold £'000	Computer Equipment £'000	Fixtures & Fittings £'000	Total £'000
Cost				
At 1 April 2024	693	23,639	2,104	26,436
Additions	-	2,210	-	2,210
Disposals	(623)	(13,894)	(1,410)	(15,927)
At 31 March 2025	**70**	**11,955**	**694**	**12,719**
Depreciation				
At 1 April 2024	563	22,967	1,877	25,407
Charge	6	399	54	459
Disposals	(511)	(13,894)	(1,410)	(15,815)
At 31 March 2025	**58**	**9,472**	**521**	**10,051**
Net book value				
At 31 March 2024	130	672	227	1,029
At 31 March 2025	**12**	**2,483**	**173**	**2,668**

The Group has leased IT equipment and infrastructure which are considered to meet the definition of finance leases and are accounted for accordingly.

Included in tangible fixed assets of the Group are assets held under hire purchase and finance lease agreements with a cost and net book value at 31 March 2025 of £5,163k and £2,050k respectively (*2024:* £9,250k and £66k). The associated depreciation for the period on those assets was £76k (*2024: £766k*).

Company	Short Term Leasehold £'000	Computer Equipment £'000	Fixtures and Fittings £'000	Total £'000
Cost				
At 1 April 2024	427	17,040	1,014	18,481
Additions	-	1,846	-	1,846
Disposals	(427)	(9,787)	(875)	(11,089)
At 31 March 2025	**-**	**9,099**	**139**	**9,238**
Depreciation				
At 1 April 2024	407	16,763	959	18,129
Charge	-	164	6	170
Disposals	(407)	(9,787)	(875)	(11,069)
At 31 March 2025	**-**	**7,140**	**90**	**7,230**
Net book value				
At 31 March 2024	20	277	55	352
At 31 March 2025	**-**	**1,959**	**49**	**2,008**

Included in tangible fixed assets of the Company are assets held under hire purchase and finance lease agreements with a cost and net book value at 31 March 2025 of £4,756k and £1,688k respectively (*2024:* £7,338k and £833k). The associated depreciation for the period on those assets was £76k (*2024: £761k*).

12 Investment in subsidiary undertakings

Company	2025 £'000	2024 £'000
Cost		
At 1 April 2024 and 1 April 2023 respectively	**6,056**	9,000
Additions – Target Servicing Limited	**-**	7,500
Elderbridge Limited	**-**	7,500
Provision for investment in Elderbridge Limited	**-**	(7,168)
Provision for investment in Target Servicing Limited	**-**	(10,776)
Net book value		
At 31 March	**6,056**	**6,056**

Following recent loss-making years in Target Servicing and the quantum of the remediation provision recognised in Elderbridge Limited by comparison to its typical annual revenue and profit, impairments were recognised with respect to Target Group Limited's Elderbridge and Target Servicing investments in FY2024. Upon considering the expected future cash flows of these companies as standalone entities and the rate at which it is appropriate to discount these, the directors concluded that no further impairments of the investments were required in FY2025.

The company's wholly owned subsidiaries at 31 March 2025 were:

	Country of incorporation	Principal activity	Class of shares	Percentage ownership
Subsidiary undertakings				
Target Servicing Limited	UK	Provision of business process outsourced services	Ordinary	100%
Elderbridge Limited	UK	Lender of record for loan portfolios	Ordinary	100%

The registered office of all subsidiary companies is Imperial Way, Coedkernew, Newport, NP10 8UH and the individual results of each entity have been included in these consolidated financial statements.

13 Debtors

	Group		Company	
	31 March 2025	**31 March 2024**	**31 March 2025**	**31 March 2024**
	£'000	**£'000**	**£'000**	**£'000**
Debtors: due within one year				
Trade debtors	**2,662**	4,709	**1,026**	1,065
Gross amounts due from customers for contract work	**4,403**	4,155	**1,158**	1,235
Other debtors	**32**	95	**-**	-
Prepayments and accrued income	**2,504**	3,229	**1,194**	1,585
Amounts due from group undertakings	**3,380**	11,373	**9,517**	8,929
Other taxes	**342**	225	**342**	225
	13,323	23,786	**13,237**	13,039
Debtors: due after one year				
Deferred tax asset (Note 16)	**6,436**	5,093	**1,261**	801

14 Creditors: amounts due falling within one year

	Group		Company	
	31 March 2025	**31 March 2024**	**31 March 2025**	**31 March 2024**
	£'000	**£'000**	**£'000**	**£'000**
Obligations under finance leases	**1,230**	85	**1,230**	85
Trade creditors	**568**	994	**323**	725
Other taxes and social security costs	**500**	1,201	**-**	-
Other creditors	**328**	1,214	**241**	1,126
Accruals and deferred income	**7,971**	10,070	**4,834**	6,707
Corporation Tax	**1,682**	1,682	**1,368**	1,368
Bank overdraft facility	**-**	178	**-**	178
Amounts due to group undertakings	**9,460**	4,775	**13,787**	10,586
	21,739	20,199	**21,783**	20,775

Included in amounts due to group undertakings is a loan of £4million from the Tech Mahindra group, payable within 12 months.

15 Creditors: amounts falling due after more than one year

	Group		Company	
	31 March 2025	**31 March 2024**	**31 March 2025**	**31 March 2024**
	£'000	£'000	**£'000**	£'000
Accruals and deferred income	**1,033**	1,294	**-**	-
Obligations under finance leases	**62**	-	**62**	-
	1,095	1,294	**62**	-

16 Deferred taxation

	Group		Company	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
At beginning of year - asset	**5,093**	4,848	**801**	2,290
(Charge) / credit for the year in the P&L account	**1,343**	245	**460**	(1,489)
At end of year – asset (Note 12)	**6,436**	5,093	**1,261**	801

	Group		Company	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
The deferred tax asset comprises				
Tax losses carried forward	**6,270**	4,897	**1,250**	1,117
Other timing differences	**166**	196	**11**	(316)
	6,436	5,093	**1,261**	801

There are no trading losses not recognised as part of the deferred tax asset. As with prior years management have an agreement with the ultimate parent company, Tech Mahindra, to continue to surrender taxable losses to the Tech Mahindra group in exchange for cash.

17 Provision for liabilities

The group had the following provisions during the year:

Group	Onerous contracts	Remediation	Dilapidations	Restructuring	Total
	£'000	£'000	£'000	£'000	£'000
As at 1 April 2024	(577)	(7,255)	(1,207)	-	(9,039)
Net (charged) / released to P&L in the year	123	1,583	707	(1,482)	931
Used in the year	245	-	500	-	745
As at March 2025	**(209)**	**(5,672)**	**-**	**(1,482)**	**(7,363)**

The Company had the following provisions during the year

Company	Dilapidations	Restructuring	Total
	£'000	£'000	£'000
As at 1 April 2024	(538)	-	(538)
Net (charged) / released to P&L in the year	38	(889)	(851)
Used in the year	500	-	500
As at March 2025	**-**	**(889)**	**(889)**

Onerous contracts

Where the unavoidable costs of fulfilling a contract exceed the anticipated revenue that will be generated from doing so, we have recognised a provision for the difference in value. This provision represents several historic contracts in Target's wider portfolio where, due to increasing costs and certain cost growth clauses in the contracts, the costs of delivery now exceed the expected revenue which will be generated. This provision is revisited periodically each year to update for changes related to the costs and revenue of the relevant contracts.

Provision for remediation

Elderbridge Limited and Target Servicing Limited, subsidiaries of Target Group Limited, are regulated by the Financial Conduct Authority (FCA), whose role includes protecting the rights of consumers. During the year, a review of compliance with FCA regulatory requirements, internal policies and procedures, and customer loan terms and conditions has continued. The objective of this review is to assess and quantify any customer detriment arising from non-compliance with FCA rules or best practice.

Based on external legal advice and internal analysis available as at 31 March 2025, management considers it probable that for certain aspects of the review, there will be an outflow of funds from both Elderbridge Limited and Target Servicing Limited. A provision has been recognised for expected remediation payments to impacted customers. As the likelihood of recovering such amounts is either uncertain or considered remote, no corresponding asset has been recognised.

Detailed modelling conducted during the year has led to a revision of estimates: in Elderbridge Limited, an overestimate of previous provisions resulted in a £2.9 million credit to the income statement; conversely, in Target Servicing Limited, further issues were identified relating to the use of certain regulatory permissions, and a new provision of £1.3 million has been recognised.

Management expects the remediation programme to conclude during the financial year ending 31 March 2026, by which point greater certainty over final settlement values will be achieved.

Dilapidations

During the period Target occupied several properties on short-term leases and as part of the terms of these there existed the obligation to make good the property to a certain standard including the removal of any temporary internal installations.

By the end of the period Target had reached agreement or contractually committed to exiting the leases of these properties and was able to negotiate away its obligation to make good the properties. Consequently, these provisions were released to the P&L Property leases were held by both Target Group Limited and Target Servicing Limited. At 31 March 2025 only one lease remained for Target Servicing Limited with substantially all underlying activity complete to exit the lease in May 2025.

Restructuring

At 31 March 2025 Target had a constructive obligation to reduce its number of employees as part of ongoing initiatives to right-size its cost base and make operating efficiencies. The first phase of the restructuring was completed in April 2025 with two more committed phases to be delivered in the 12 months after the balance sheet date.

As part of the restructuring, employees of both Target Group and Target Servicing were impacted. The provision recognised by the Group was £1,482k of which £889k related to the Company.

18 Contingent liabilities

Contingent liability – remediation project in Target Servicing and Elderbridge

As part of the review leading to the remediation provision, management considers that there are instances of significant uncertainty where there is a possibility that a Target Group entity could be subject to further economic outflows in the future with regards to the remediation project.

The degree of uncertainty is significant, and it is not yet possible to reliably estimate the likelihood, value or timing of the future outflows. There are circumstances in which a Target Group entity may be subject to an economic outflow with some, or all, of the value being reimbursed by a third party.

As a product of the detailed modelling work on the remediation provision, an estimate can be made of the potential exposure for certain elements of the potential costs noting that management do not expect a Target entity to be liable. Disclosure of the modelled values could prejudice the outcome of ongoing commercial negotiations and accordingly a figure has not been disclosed.

Using a range of £1.0m increments, Management expects the value of the estimable elements to fall within the range of £0.0m – £1.0m. Management continues to monitor the matter and will review its assessment should circumstances change.

19 Share capital

	Ordinary shares of 5p each	'A' shares of 5p each	'B' shares of 5p each	Total
	Number	Number	Number	Number
Number of shares allotted, called up and fully paid				
At 31 March 2024	36,894,905	-	-	36,894,905
£4.0m allotment	4,000,000	-	-	4,000,000
At 31 March 2025[1]	**40,894,905**	**-**	**-**	**40,894,905**

	Ordinary Shares of 5p each	'A' Shares of 5p each	'B' Shares of 5p each	Total
	£'000	£'000	£'000	£'000
Value of shares allotted, called up and fully paid				
At 31 March 2024	1,845	-	-	1,845
£4.0m allotment	200	-	-	200
At 31 March 2025	**2,045**	**-**	**-**	**2,045**

The Group and Company's other reserves are as follows:

The share premium reserve contains the premium arising on issue of equity shares.

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

The capital redemption reserve is a statutory, non-distributable reserve into which amounts are transferred following the redemption or purchase of a company's own shares.

[1] All shares rank equally. There are no special rights attached to any shares issued.

20 Financial instruments

The carrying values of the Group and Company's financial assets and liabilities are summarised by category below:

Financial assets	**Group**		**Company**	
	2025	**2024**	**2025**	**2024**
	Total £'000	**Total £'000**	**Total £'000**	**Total £'000**
Measured at undiscounted amount receivable				
Amounts due from customers (Note 12)	**7,065**	8,864	**2,184**	2,300
Amounts due from related undertakings (Note 12)	**3,380**	11,373	**9,517**	8,929
Cash at bank and in hand	**10,192**	2	**2,685**	2
Other amounts	**9,314**	8,642	**2,797**	2,611
	29,951	28,881	**17,183**	13,842

	Group		**Company**	
	2025	**2024**	**2025**	**2024**
	Total £'000	**Total £'000**	**Total £'000**	**Total £'000**
Measured at amortised cost				
Finance lease liabilities (Notes 13 & 14)	**1,292**	85	**1,292**	85
Measured at undiscounted amount payable				
Trade and other creditors	**12,082**	16,633	**6,766**	10,104
Amounts owed to related undertakings	**9,460**	4,775	**13,787**	10,586
	22,834	21,493	**21,845**	20,775

Included in amounts due to group undertaking is a loan of £4m from the Tech Mahindra group, repayable within 12 months of the balance sheet date.

The Group's income, expense, gains and losses in respect of financial instruments are summarised below:

	Group	
	2025 Total	2024 Total
	£'000	**£**'000
Financial assets		
Interest income and expense		
Total interest income for financial assets at amortised cost	**-**	-
Total interest expense for financial liabilities at amortised cost	**295**	15

The interest expense includes no interest (*2024: £nil)* that was recognised within cost of sales in Target Group Limited. The remainder relates to bank and other finance costs (Note 4).

21 Dividend

No dividends were declared during the year (2024: *£nil*). No dividends were received by Target Group Limited during the year (2024: £nil).

22 Commitments

Group capital commitments authorised and contracted at 31 March 2025 were £nil *(2024: £nil)*.

Group total future minimum lease payments under non-cancellable operating leases are as follows:

	2025 Total	**2024 Total**
	£'000	**£'000**
Group:		
In the first year	**74**	976
Between one and five years	**-**	2,581
After five years	**-**	1,227
	74	4,784

Total future minimum lease payments under non-cancellable finance leases are as follows:

	2025	**2024**
	£'000	**£'000**
Company only:		
In the first year	**-**	460
Between one and five years	**-**	909
After five years	**-**	490
	-	1,859

At 31 March 2025 the Group had exited or was in the process of exiting all leases for properties. At the balance sheet data, a commitment remained for the sole remaining property lease until 2031. However, in substance, as the contract novation to Tech Mahindra was imminent, management considered only the amount expected to pay prior to the novation completing as a commitment.

The company had no capital commitments or annual commitments at the year-end *(2024: £nil*).

23 Pensions

The assets of the pension schemes to which the group contributes on behalf of its employees are held within independently administered funds. The schemes are all defined contribution schemes thus the group's obligation is solely to make contributions based on a percentage of salary. Employer contributions to the schemes for the year amounted to £1,228k *(2024:* £1,356k*)*. The pension liability of the group at the year-end was £202k *(2024: £243k).*

24 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group's and parent Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	Group		Company	
	2025	**2024**	**2025**	**2024**
	£'000	£'000	**£'000**	£'000
Creditors falling due				
Finance lease liabilities due within 12 months (Note 13)	1,230	85	1,230	85
Finance lease liabilities due after 12 months (Note 14)	62	-	62	-
Loan liabilities due within 12 months (Note 13)	4,000	4,000	4,000	4,000

Terms and debt repayment schedule

Group	**Currency**	**Nominal interest rate**	**Year of maturity**	**Repayment schedule**	**2025**	**2024**
					£'000	**£**'000
Finance lease liabilities (Notes 13 & 14)	GBP	6%	2025	Quarterly	1,292	85
Loan Liabilities (Note 13)	GBP	5.94%	2026	Bullet	4,000	4,000

Company	**Currency**	**Nominal interest rate**	**Year of Maturity**	**Repayment schedule**	**2025**	2024
					£'000	**£'000**
Finance lease liabilities (Notes 13 & 14)	GBP	6%	2025	Quarterly	1,292	85
Loan Liabilities (Note 13)	GBP	5.94%	2026	Bullet	4,000	4,000

25 Related party transaction

The group 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.

26 Events after the reporting period end

None.

27 Ultimate controlling party

The immediate parent company is Tech Mahindra Fintech Holdings Limited, a company incorporated in Great Britain and registered in England and Wales, with a registered office at 401 Grafton Gate, Milton Keynes, MK9 1AQ.

The ultimate parent company and largest group in which the results of the company are consolidated is Tech Mahindra Limited. The consolidated financial statements of Tech Mahindra Limited are available to the public on the National Stock Exchange of India Limited (NSE), The BSE Limited (BSE) and the company's website (www.techmahindra.com). Tech Mahindra Limited is also the ultimate parent company and its registered office is Gateway Building, Apollo Bunder, Mumbai – 400001, India.

BORN GROUP PTE LIMITED

Unaudited Financial Statement for the Year Ended 31st March 2025

Corporate Information
Board of Directors
Mr. Sudhir Dhar
Mr. Bharat Kumar Dasari Lingam

Registered Office
77, Robinson Road,
#16-00,Robinson 77,
Singapore-068896

Bankers
DBS Bank

STATEMENTS OF FINANCIAL POSITION

For the period ended 31st March 2025

	Note	Group 2025	2024
Assets			
Non-current assets			
Property, plant and equipment	1	**3,329**	1,72,953
Goodwill	2	**67,40,121**	65,64,070
Intangible assets	1	**-**	17,08,392
Investment in subsidiaries	3	**-**	-
Other receivables	4	**12,96,545**	17,87,448
Deferred tax assets		**4,26,970**	4,15,832
		84,66,965	1,06,48,695
Current assets			
Trade and other receivables	4	**29,84,016**	1,61,69,184
Prepayments	5	**(80,231)**	5,53,017
Other financial asset	6.1	**-**	13,01,258
Cash and bank balances	6	**44,81,840**	58,82,603
		73,85,625	2,39,06,062
Total assets		**1,58,52,590**	3,45,54,757
Equity and Liabilities			
Equity attributable to owners of the Company			
Share capital	7	**6,29,88,648**	6,29,88,648
Share application money pending allotment	7	**-**	-
(Accumulated losses)/Retained earnings	7 (c)	**(4,68,72,939)**	(4,76,93,124)
Foreign currency translation reserve	7 (d)	**(24,82,975)**	(27,80,588)
Total equity		**1,36,32,734**	1,25,14,936
Non current liabilities			
Other payables		**24,079**	22,46,322
Deferred tax liabilities		**34,445**	33,546
		58,524	22,79,868
Current liabilities			
Provisions		**18,922**	32,13,180
Provision for taxation		**-**	12,02,593
Borrowings	8	**-**	17,03,470
Trade and other payables	9	**21,42,410**	1,36,40,710
		21,61,332	1,97,59,953
Total equity and liabilities		**1,58,52,590**	3,45,54,757

For and on behalf of BORN Group PTE Limited

Bharat Dasari

Director and Group CFO

STATEMENTS OF COMPREHENSIVE INCOME

For the period ended 31st March 2025

	Note	Group 2025 US$	Group 2024 US$
Revenue from rendering of services	10	**1,43,47,488**	4,32,92,519
		1,43,47,488	4,32,92,519
Cost of sales	12	**(1,25,74,836)**	(3,11,78,438)
Gross profit		**17,72,652**	1,21,14,081
Other income	11	**15,57,819**	20,04,552
Selling and distribution costs	12	**(10,28,317)**	(39,52,372)
Administrative expenses	12	**(31,72,265)**	(1,72,30,869)
Operating profit		**(8,70,112)**	(70,64,609)
Finance costs	13	**(1,86,984)**	(1,43,451)
Profit/(loss) before tax		**(10,57,096)**	(72,08,060)
Income tax expense		**1,89,868**	(8,04,626)
Profit/(loss) for the year, net of tax		**(8,67,228)**	(80,12,686)
Other comprehensive income / (loss) for the year, net of tax			
Net other comprehensive (loss) / gain to be reclassified to statement of comprehensive income in subsequent years			
Exchange differences on translation of foreign operations		**2,97,613**	2,14,066
Total comprehensive income / (loss) for the year attributable to owners of the Company		**(5,69,615)**	(77,98,620)

For and on behalf of BORN Group PTE Limited

Bharat Dasari

Director and Group CFO

CASH FLOW STATEMENTS

For the period 1st April 2024 to 31st March 2025

Particulars	Note	Group 2025 US$	Group 2024 US$
Operating activities			
Profit/(loss) before tax		**(10,57,096)**	(72,08,058)
Adjustments for:			
Depreciation of property, plant and equipment	12	**3,28,882**	1,69,269
Amortization of intangible assets	12	**1,17,719**	1,88,743
Loss on disposal of property, plant and equipment	12	**-**	1,06,41,827
Gratuity and leave encashment expense	12.1	**-**	-
Finance cost	13	**1,86,984**	1,43,451
Accrued interest on income tax		**-**	-
Unrealised exchange loss recognised in profit and loss		**8,90,425**	11,13,232
Others		**(3,95,220)**	(3,92,630)
Total adjustments		**11,28,791**	1,18,63,892
Operating cash flows before changes in working capital		**71,694**	46,55,834
Changes in working capital:			
Increase/ (decrease) in trade, other receivables and prepayments		**1,43,09,319**	21,94,378
Increase in trade and other payables		**(1,37,20,543)**	(51,63,541)
Net working capital adjustment		**5,88,776**	(29,69,163)
		6,60,470	16,86,671
Income tax paid		**-**	(1,56,563)
Net cash flows from / (used in) operating activities		**6,60,470**	15,30,108
Investing activities			
Proceeds from sale of property, plant and equipment		**-**	17,393
Purchase of property, plant and equipment		**(9,017)**	(76,138)
Sale of investments		**-**	26,65,901
Net cash flows used in investing activities		**(9,017)**	26,07,156
Financing activities			
Repayment of borrowings		**(17,03,470)**	-
Finance cost	13	**(1,86,984)**	(1,43,451)
Net cash flows used in financing activities		**(18,90,454)**	(1,43,451)
Net (decrease) / increase in cash and cash equivalents		**(12,39,001)**	39,93,813
Effect of exchange rate changes on cash and cash equivalents		**(1,61,762)**	(52,080)
Cash and cash equivalents at the beginning of the period	6	**58,82,604**	19,40,870
Cash and cash equivalents at the end of the period	6	**44,81,840**	58,82,604

For and on behalf of BORN Group PTE Limited

Bharat Dasari

Director and Group CFO

STATEMENTS OF CHANGES IN EQUITY

For the period 1st Apr 2024 to 31st March 2025

	Attributable to the owners of the Company				
	Share capital (Note 7(a))	**Share application money pending allotment (Note 7(a))**	**Accumulated losses (Note 7(b))**	**Foreign currency translation reserve (Note 7(c))**	**Total Equity**
	US$	**US$**	**US$**	**US$**	**US$**
Group					
At 31 Mar 2023	6,08,29,909	21,58,812	(3,95,83,608)	(29,94,654)	2,04,10,460
Profit for the year, net of tax	-	-	(80,12,686)	-	(80,12,686)
Exchange differences on translation of foreign operations	-	-	-	2,14,066	2,14,066
Total comprehensive income/(loss) for the year	-	-	(80,12,686)	2,14,066	(77,98,620)
Acquisition of subsidiaries	-		-		-
Shares buyback during the period	21,58,812	(21,58,812)	-	-	-
Others	(73)		(96,830)		(96,903)
At 31 Mar 2024	6,29,88,721	-	(4,76,93,124)	(27,80,588)	1,25,14,937
Profit for the year, net of tax	-	-	(8,67,228)	-	(8,67,228)
Exchange differences on translation of foreign operations	-	-	-	2,97,613	2,97,613
Total comprehensive income/(loss) for the year	-	-	(8,67,228)	2,97,613	(5,69,615)
Others	-		16,87,412		16,87,412
At 31 Mar 2025	**6,29,88,721**	**-**	**(4,68,72,940)**	**(24,82,975)**	**1,36,32,734**

NOTES TO FINANCIAL STATEMENTS

For the period 1st Apr 2024 to 31st March 2025

1 Property, plant and equipment

Group	Computer and accessories	Furniture and fittings	Office equipments	Leasehold Improvements	Building	Grand Total
	US$	US$	US$	US$	US$	US$
Cost						
At 31 March 2023	16,12,544	2,87,960	7,86,706	11,35,627	-	38,22,837
Additions	24,351	(1)	1,254	2,776	-	28,380
Acquisition of subsidiaries	1,04,645	-	2,236	-	-	1,06,881
Disposals	(81,312)	-	-	-	-	(81,312)
Exchange differences	31,284	5,850	16,035	23,087	-	76,256
At 31 Mar 2024	16,91,512	2,93,809	8,06,231	11,61,490	-	39,53,042
Additions	9,017					9,017
Acquisition of subsidiaries						-
Disposals	(15,65,447)	(2,88,924)	(7,92,805)	(11,41,773)		(37,88,949)
Exchange differences	(26,425)	(4,885)	(13,426)	(19,717)		(64,454)
At 31 Mar 2025	**1,08,657**	**-**	**-**	**-**	**-**	**1,08,657**
Accumulated depreciation						
At 31 March 2023	13,97,307	2,87,615	7,84,614	10,73,047	0	35,42,583
Depreciation						-
Depreciation charge for the year	1,52,237	90	1,197	15,745		1,69,269
Acquisition of subsidiaries	59,789	-	890	-	-	60,679
Disposals	(60,212)	-	-	-	-	(60,212)
Exchange differences	24,086	5,841	15,954	21,889		67,770
At 31 Mar 2024	15,73,208	2,93,546	8,02,655	11,10,681	0	37,80,089
Depreciation charge for the year	3,19,915	36	565	8,366		3,28,882
Acquisition of subsidiaries					-	-
Disposals	(17,60,941)	(2,88,700)	(7,89,837)	(10,99,937)	-	(39,39,416)
Exchange differences	(26,853)	(4,882)	(13,383)	(19,109)		(64,227)
At 31 Mar 2025	1,05,329	-	-	-	0	1,05,328
Net carrying amount						
At 31 Mar 2025	3,328	-	-	-	(0)	3,329
At 31 Mar 2024	1,18,304	263	3,576	50,809	(0)	1,72,953

1 Intangible assets

	Software	Customer relationship	Total
Cost	**US$**	**US$**	
At 31 March 2023	7,35,811	20,14,801	27,50,612
Addition during the year	-	-	-
Additions from Business	-	-	-
Exchange difference	14,948	84,435	99,383
At 31 Mar 2024	**7,50,759**	**20,99,236**	**28,49,995**
Addition during the year	-	-	-
Disposal from Business	(7,38,276)	(20,83,726)	(28,22,002)
Exchange difference	(12,483)	(15,510)	(27,993)
At 31 Mar 2025	**-**	**-**	**-**
			-
Accumulated depreciation			
At 31 March 2023	7,35,811	1,54,387	8,90,198
Amortisation during the year	0	1,88,743	1,88,743
Additions from Business Acquistion	-	-	-
Exchange difference	14,948	47,714	62,662
At 31 Mar 2024	**7,50,759**	**3,90,844**	**11,41,603**
Amortisation during the year		1,17,719	1,17,719
Disposal from Business	(7,38,276)	(5,18,284)	(12,56,560)
Exchange difference	(12,483)	9,721	(2,762)
At 31 Mar 2025	**-**	**-**	**-**
Net carrying amount			
At 31 Mar 2025	**-**	**-**	**-**
At 31 Mar 2024	(0)	17,08,392	17,08,392

2 Goodwill and its impairment (Group)

Born Group Pte. Ltd. recognized goodwill of US$ 8,392,642 (transalated value, 31st Mar 2025 US$ 6,740,121; 31st Mar 2024 - US$ 6,564,070) recognized for acquisition of Born London limited in 2011.

	31-Mar-25 US$	31-Mar-24 US$
Acquisition of BORN London Limited, UK	**67,40,121**	65,64,070
	67,40,121	65,64,070

3 Investment

On 25 October 2021, Born London Limited acquired the Share Capital of We Make Websites Ltd, which includes its own subsidiary We Make Websites Inc. During the current year WMW Inc has been merged with Born Group Inc effective 01st September 2023. The Asset and Liabilities of WMW Ltd has been taken over by Born London Ltd by way of business transfer agreement with effect from 01st August 2023.

Cost or valuation	31-Mar-25	31-Mar-24
Opening	-	1,28,57,939
Addition	0	0
Deletion	-	(1,28,57,939)
Closing	**-**	**-**

4 Trade and other receivables

	Note	Group 1 Apr 2024 to 31 March 2025	Group 1 Apr 2023 to 31 March 2024
		US$	**US$**
Current			
Trade receivables*	(a)	**21,45,343**	75,43,454
Contract asset		**3,38,509**	28,62,442
Refundable deposits		**-**	40,190
Other receivables	(b)	**(32,440)**	3,58,816
Receivable from other related parties		**5,32,604**	53,64,282
		29,84,016	1,61,69,184
Non-current			
Refundable deposits		**12,33,734**	14,44,544
Income tax credit		**62,811**	3,42,904
		12,96,545	17,87,448
Total trade and other receivables		**42,80,561**	1,79,56,632
Add : Cash and cash balances	6	**44,81,840**	58,82,603
Total loans and receivables		**87,62,401**	2,38,39,235

(a) Trade receivables are non-interest bearing and are generally on 30-90 day terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

(b) Other receivables represents corporation tax receivables, advances recoverable from employees, client reimbursements and tax deducted at source recoverable.

(ç) Included in other receivables represent amount deposited in escrow account in accordance with the terms of Share Purchase Agreement (the “SPA”) dated 25 November 2019 entered between the Company’s holding company, i.e. Tech Mahindra (Singapore) Pte Limited (‘the Buyers’) and erstwhile shareholders (‘the Sellers’).). As per SPA, the Company, holds an escrow account for (a) the Indemnity Escrow Amount US$ 1,000,000 plus (b) the Seller Representative Expense Escrow Amount US$ 100,000. The escrow account is maintained to indemnify the Buyers for losses arising except on account of fraud or a breach of the fundamental representations up to fifteen months from the date of closing, subject to the limitations set forth in SPA. At the end of the fifteen months, the outstanding balance in escrow account will be released to the Sellers in accordance with the terms of the escrow agreement. Accordingly, a corresponding liability of US$ 1,100,000 has been recognised under ‘Trade and other payables’ as at 31 March 2022 (note 10).

*Trade receivables denominated in foreign currencies at 31 March 2025 are as follows:

	Group	
	1 Apr 2024 to 31 March 2025	**1 Apr 2023 to 31 March 2024**
	US$	**US$**
Great Britain Pounds	**1,77,982**	2,06,843
Euro		18,69,526
Singapore Dollars	**1,42,267**	11,04,945
Swiz France		1,79,206
Australian Dollars	**177**	4,563
Hong kong Dollars	**9,92,811**	2,27,393
Malaysia Ringgits	**-**	3,41,048
EGP		17,48,915
Chinies Yuan	**98,779**	4,64,822
Total amount denominated in foreign currencies	**14,12,016**	61,47,261

Trade receivables are non-interest bearing and are generally on 30-90 day terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

At the end of the year, the ageing analysis of trade receivables is as follows:

	US$	**US$**
Neither past due nor impaired	**6,32,476**	39,40,349
Past due but not impaired		
Lesser than 30 days	**1,78,523**	12,73,511
30 - 60 days	**4,69,778**	5,52,703
61 - 90 days	**85,275**	2,35,095
91 - 120 days	**2,53,458**	2,90,417
More than 121 days	**5,25,834**	12,51,379
Total Trade receivables	**21,45,343**	75,43,454

Receivables that are impaired

The Group's trade receivables that are impaired at the end of the reporting period and the movement of the allowance accounts used to record the impairment are as follows:

	31-Mar-25 US$	**31-Mar-24 US$**
Trade receivables - nominal amounts	**22,04,957**	75,50,871
Less: Allowance for impairment	**(59,614)**	(7,417)
	21,45,343	75,43,454

5 Prepayments

The prepaid expenses comprise of remaining prepaid balances of insurance premium of employees and annual maintenance contracts whose benefits are consumed beyond this financial year.

	31-Mar-25 US$	31-Mar-24 US$
Prepayments	**(80,231)**	5,53,017
	(80,231)	5,53,017

6 Cash and bank balances

	31-Mar-25 US$	31-Mar-24 US$
Cash at bank and on hand	**44,81,840**	58,82,603
	44,81,840	58,82,603

Cash at bank and on hand denominated in foreign currencies at 31 March are as follows:

	31-Mar-25 US$	31-Mar-24 US$
Great Britain Pounds	**5,47,099**	7,57,231
Singapore Dollars	**97,390**	2,28,703
Malaysian Ringgit	**67,765**	10,65,582
Total amount denominated in foreign currencies	**7,12,254**	20,51,516

6.1 Other financial asset

	31-Mar-25 US$	31-Mar-24 US$
Investment in Mutual fund (HSBC Sterling Liquidity Funds).	**0**	1301258
	0	1301258

7 Equity attributable to owners of the Company

(a) Share capital

	Number of shares	US$
Fully paid ordinary shares with no par value		
At 31 March 2023	2,99,087	6,29,88,648
Share Application Money pending allotment	-	(21,58,812)
Shares alloted	8,947	21,58,812
At 31 March 2024	3,08,034	6,29,88,648
Share Application Money pending allotment	-	-
Shares alloted	-	-
At 31 March 2025	**3,08,034**	**6,29,88,648**

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

7(b) Capital management

Capital includes debt and equity items as disclosed in the table below.

The primary objective of the Company's capital management is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to monitor and adjust the capital structure, the Company may adjust the amount of dividends paid to shareholder or issue new shares. In the event that the Company requires additional capital, monies would be infused by the shareholders to provide appropriate financial support to the Company.

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, borrowings, convertible redeemable preference shares, trade and other payables, less cash and short-term deposits. Capital represents equity attributable to the owners of the Company less the fair value adjustment reserve.

	Note	31-Mar-25 US$	31-Mar-24 US$
Trade and other payables		**21,42,410**	1,85,57,360
Less: Cash and bank balances		**-44,81,840**	-58,82,603
Net debt (A)		**-23,39,430**	1,26,74,757
Equity attributable to owners of the Company (B)		**1,36,32,734**	1,25,14,936
Capital and net debt (C) = (A) + (B)		**1,12,93,304**	2,51,89,693
Gearing ratio (A)/(C)		**-21%**	50%

No changes were made in the objective, policies or processes during the year ended 31 March 2024.

7 c) (Accumulated losses)/retained earnings

	31-Mar-25 US$	31-Mar-24 US$
As at 1st Apr 2024/ 1st Apr 2023	**(4,76,93,123)**	(3,95,83,607)
Profit for the year, representing total comprehensive income for the year	**(8,67,228)**	(80,12,686)
Others	**16,87,412**	(96,830)
Acquisition of subsidiaries	**-**	-
At 31st March 2025/As at 31st Mar 2024	**(4,68,72,939)**	(4,76,93,123)

7(d) Foreign currency translation reserve

	31-Mar-25 US$	31-Mar-24 US$
As at 1st Apr 2024/ 1st Apr 2023	**(27,80,588)**	(29,94,654)
Exchange differences on translation of foreign operations	**2,97,613**	2,14,066
At 31st March 2025/As at 31st Mar 2024	**(24,82,975)**	(27,80,588)

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

8 Borrowings (current)

	Note	Interest rate	Maturity	US$
2025				
Working capital loan*	(a)		On demand	-
				-

	Note	Interest rate	Maturity	US$
2024				
Working capital loan*	(a)	6.31%	On demand	17,03,470
				17,03,470

Note:

(a) Working capital loan (unsecured) from Tech Mahindra London Limited is repaid during the year.

9 Trade and other payables (current)

	Note	31-Mar-25 US$	31-Mar-24 US$
Trade payables	(a)	**2,48,943**	1,90,412
Contract liabilities		**52,432**	14,70,493
Advance from customers			2,79,029
Statutory dues payable			5,74,587
Payable to employees		**45,000**	7,87,925
Other payables	(b)	**-**	4,569
Due to other related parties	(c)	**17,96,035**	1,35,46,875
Total trade and other payables		**21,42,410**	1,68,53,890
Borrowings	8	**-**	17,03,470
Total financial liabilities carried at amortised cost		**21,42,410**	1,85,57,360

Terms and conditions of the above financial liabilities:

(a) Trade payables are non-interest bearing and are normally settled on 30-day terms on average.

(b) Other payables are non-interest bearing and have an average term of 45 days. For explanations on the credit risk management processes (Note 17).

(c) Amounts due to related parties are trade related, unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

Trade payables denominated in foreign currencies as at 31 March 2025 are as follows:

	31-Mar-25 US$	31-Mar-24 US$
Great Britain Pounds	**53,428**	1,89,686
Chinies Yuan	**1,46,226**	-
Total amount denominated in foreign currencies	**1,99,654**	1,89,686

10 Revenue

a) Disaggregation of revenue

	1 Apr 2024 to 31 March 2025	1 Apr 2023 to 31 March 2024
Rendering of services	**US$**	**US$**
Time and material	**15,64,512**	1,15,96,244
Fixed price	**1,18,79,455**	2,01,97,616
Cost plus	**9,03,522**	1,14,98,659
	1,43,47,488	4,32,92,519

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:

Time and material

Nature of goods or services	Time and material
When revenue is recognised	Revenue is recognised over the implementation services period.
Significant payment terms	Invoices are issued to the customers according to their respective billing plans and are normally payable within 30-60 days.

Fixed price

Nature of goods or services	Fixed price
When revenue is recognised	Revenue from fixed price development contracts is recognised as performance obligations are satisfied. Where performance obligations are satisfied over time as work progresses, revenue is recognised progressively based on the percentage of completion method. The stage of completion is determined as the proportion of the total time cost expected to install the software services that has elapsed at the end of the reporting period (input method). Revenue from fixed price maintenance contracts is recognised based on the right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered.
Significant payment terms	Invoices are issued to the customers after the services are performed and are normally payable within 30-60 days.

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by geographical markets and timing of revenue recognition:

Revenue by Geography	1 Apr 2024 to 31 March 2025	1 Apr 2023 to 31 March 2024
	US $	US $
China	**20,79,415**	26,29,709
Egypt	**88,470**	3,34,330
India	**1,82,756**	92,75,593
Indonesia	**8,61,976**	19,04,850
Japan	**13,82,602**	7,74,653
Malaysia	**3,79,661**	16,61,610
Singapore	**9,35,537**	34,64,839
Switzerland	**22,05,467**	60,14,284
Thailand	**(85,694)**	4,82,183
United Kingdom	**15,50,836**	73,30,557
USA	**28,82,241**	54,75,370
Other countries	**18,84,220**	39,44,541
Total	**1,43,47,488**	4,32,92,519

b) Contract assets and contract liabilities

Information about receivables, contract assets and contract liabilities from contracts with customers is disclosed as follows:

	Note	1 Apr 2024 to 31 March 2025	1 Apr 2023 to 31 March 2024
		US $	US $
Receivables from contract with customers	4	**21,45,343**	75,43,454
Contract assets	4	**3,38,509**	28,62,442
Contract liabilities	9	**52,432**	14,70,493

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date.

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers or for which the Group has billed in advance before performance as required under the contract.

Significant changes in the contract assets and the contract liabilities balances during the period are as follows.

	Contract assets		Contract liabilities	
	31-Mar-25 US$	31-Mar-24 US$	31-Mar-25 US$	31-Mar-24 US$
Revenue recognised from prior year balance	**–**	–	**14,70,493**	14,49,466
Cash received in advance and not recognised as revenue	**–**	–	**52,432**	14,70,493
Changes in measurement of progress	**3,38,509**	28,62,442	**–**	–
Contract asset reclassified to trade receivables	**28,62,442**	37,32,914	**–**	–

Significant judgements are used to estimate these total contract costs to complete. In making these estimates, management has relied on the expertise of project teams to determine the progress of the fixed price contracts and on past experience of completed projects. The estimated total contract costs are reviewed every reporting period and adjusted where necessary, with the corresponding effect of change being recognised prospectively from the date of change.

Transaction price allocated to the remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially satisfied) at the reporting date.

31-Mar-25	**2026**	**2027**	**2028**	**Total**
	US$	**US$**	**US$**	**US$**
Time and material	4,33,434	2,86,885	23,907	7,44,226
Fixed price	16,48,239	59,988	4,999	17,13,226

31-Mar-24	**2025**	**2026**	**2027**	**Total**
	US$	**US$**	**US$**	**US$**
Time and material	4,47,344	2,19,501	2,19,501	8,86,346
Fixed price	1,21,61,288	43,39,667	43,75,484	2,08,76,439

Variable consideration that is constrained and therefore not included in the transaction price is excluded in the amount presented above.

11 Other income

	1 Apr 2024 to 31 March 2025	**1 Apr 2023 to 31 March 2024**
	US$	**US$**
Rental income		26,779
Billable out of pocket expenses		7,41,691
Grant from Government		9,729
Other miscellaneous Income	**15,57,819**	12,26,353
Total	**15,57,819**	20,04,552

12 Operating expenses

	1 Apr 2024 to 31 March 2025	1 Apr 2023 to 31 March 2024
	US$	US$
By function:		
Cost of sales	**1,25,74,836**	3,11,78,438
Operating expenses		
Selling and distribution costs	**10,28,317**	39,52,372
Administrative expenses	**31,72,265**	1,72,30,869
Total operating expenses	**42,00,581**	2,11,83,241
Total	**1,67,75,418**	5,23,61,679
By nature:		
Outsourced work	**52,36,971**	1,95,57,881
Depreciation	**3,28,882**	1,69,269
Amortization of intangible assets	**1,17,719**	1,88,743
Employee benefits expense (Note 12.1)	**84,64,252**	1,70,52,249
Recruitment charges	**20,643**	8,105
Insurance	**59,405**	1,01,858
Rent	**5,122**	94,523
Repairs and maintenance	**48,150**	67,905
Rates and taxes	**63,757**	1,37,446
Software maintenance	**6,50,487**	7,65,936
Power and fuel	**1,178**	75,855
Printing and stationery	**8,954**	3,289
Postage and courier	**-**	5,899
Legal and professional charges	**1,60,576**	6,70,445
Travelling expenses	**1,43,173**	4,32,492
Telephone expenses and communication expenses	**2,18,769**	2,89,037
Advertisement and sales promotion	**70,907**	8,07,876
Entertainment	**-**	87,870
Net foreign exchange loss	**8,90,425**	11,26,187
Provision for bad and doubtful debts	**52,118**	-
Loss on sale of investment	**-**	1,06,41,842
Others	**2,33,930**	76,972
Total	**1,67,75,418**	5,23,61,679

12.1 Employee benefits expense

	1 Apr 2024 to 31 March 2025	1 Apr 2023 to 31 March 2024
	US$	US$
Wages and salaries	**74,24,653**	1,48,00,903
Social security costs	**10,39,599**	22,34,628
Gratuity expense	**-**	16,718
Total	**84,64,252**	1,70,52,249

13 Finance Cost

	1 Apr 2024 to 31 March 2025	1 Apr 2023 to 31 March 2024
	US$	US$
Interest expense on:		
- borrowings	**1,85,475**	1,42,989
- Others	**1,509**	462
Total	**1,86,984**	1,43,451

14 Related party disclosures

A) Related party relationships

Subsidiaries			**% of equity interest**
Particulars	**Country of incorporation**	**Subsidiary**	**Step down subsidiary**
Born London Limited	United Kingdom	100%	-
Born Digital SDN BHD	Malaysia	100%	-

The Immediate holding Company

Name of the entity	**% of equity interest**
Tech Mahindra Singapore Pte Ltd*	100%

The Ultimate holding Company

Name of the entity	**% of equity interest**
Tech Mahindra Limited*	100%

Fellow Subsidiaries

Name of the entity	**% of equity interest**
Tech Mahindra London Limited	100% subsidiary of Tech Mahindra Limited

Key Management Personnel	**Relationship**
Sudhir Dhar	Director, Born Group Pte. Ltd.
Bharat Kumar Dasari Lingam	Director, Born Group Pte. Ltd.

No other directors or persons of the Company, its subsidiaries and the holding Company have the authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

Born Digital Sdn Bhd filed for liquidation on December 30, 2024, and initiation of winding-up proceedings was started.

Directors' interests in employee share option plan

No options were granted or exercised during the period/year ended 31 March 2025 and 31 March 2024.

At the end of the reporting year, the total number of outstanding share options granted by the Company to the directors under the employee share option plan is Nil (2025: Nil).

B) Related party transactions

Transactions with related parties	Year	(All stated in US$, unless stated otherwise) Holding Company and Ultimate Holding Company	Key Management Personnel	Subsidiaries & Fellow Subsidiaries
Investments during the year	2025	**-**	**-**	**-**
	2024	-	-	2,75,95,502
Outwork Charges	2025	**25,26,676**		
	2024	51,48,711	-	67,19,561
Reimbursement of Expenses	2025	**-**		
	2024	1,64,054	-	1,33,856
Amounts payable	2025	**17,96,035**	**-**	**-**
	2024	90,13,602	-	14,04,795
Amounts receivable	2025	**5,46,274**		**-**
	2024	39,45,133	-	18,60,204
Borrowings	2025	**18,974**	**-**	**-**
	2024	17,03,470	-	-

Terms and conditions of transactions with related parties

Outstanding balances at the year-end are unsecured, interest free, repayable on demand, and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the period/year ended 31 March 2025 and 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

15 Fair value of assets and liabilities

The carrying amounts of total loans and receivables, and total financial liabilities carried at amortised cost are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

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

Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are 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.

Particulars	Total	Group Fair value measurement using Quoted prices in active markets US$	Significant observable inputs US$	Significant unobservable inputs US$
2025	**US$**	**(Level 1)**	**(Level 2)**	**(Level 3)**
Other financial assets				
Refundable deposits	-		0	
Financial Instruments- unquoted equity shares	NIL*	-	-	NIL*
2024				
Other financial assets				
Refundable deposits	40,190		40,190	
Financial Instruments- unquoted equity shares	NIL*	-	-	NIL*

16 Financial risk management objectives and policies

The Company's principal financial liabilities are comprised of convertible redeemable preference shares and trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company has trade receivables, other receivables and cash balances that arise directly from its operations.

Financial risk factors

The Company's activities expose it to a variety of financial risks, market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company currently does not hedge or use derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The demographics of the customer including the default risk of the industry and country in which the customer operates also has an influence on credit risk assessment.

Market risk

Market risk is the risk that the fair value of future cash flows if a financial instrument will fluctuate because of changes in market prices. The principal market risk impacting the Company is currency risk. Financial instruments affected by market risk include deposits, accounts receivable, and accounts payable.

17 Financial risk management objectives and policies (cont'd)

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables). Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 60 days when they fall due, which are derived based on the Company's historical information.

To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Company considers available reasonable and supportive forwarding-looking information which includes the following indicators:

- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtors ability to meet its obligations

- Significant changes in the expected performance and behaviour of the debtors, including changes in the payment status of debtors in the group and changes in the operating results of the debtors.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the issuer or the debtors
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtors will enter bankruptcy or other financial reorganisation

The Company categorises a loan or receivable for potential write-off when a debtor fails to make contractual payments more than 180 days past due. 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 Company. Where loans and receivables have been written off, the Company continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The following are credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for each class of financial assets:

(i) Non-trade Financial assets at amortised cost

The Company uses three categories of internal credit risk ratings for debt instruments and loans which reflect their credit risk and how the loss provision is determined for each of those categories. These internal credit risk ratings are determined through incorporating both qualitative and quantitative information specific to the counterparty and other external information that could affect the counterparty's behaviour.

The Company compute expected credit loss for this group of financial assets using the probability of default approach. In calculating the expected credit loss rates, the Company considers implied probability of default from external rating agencies where available and historical loss rates for each category of counterparty, and adjust for forward looking information such as forecast of economic condition, which has a bearing on default rates.

A summary of the Company's internal grading category in the computation of the Company's expected credit loss model for the debt instruments and loans is as follows:

Category	Definition of Category	Basis for recognition of expected credit loss provision
Grade I	Customers have a low risk of default and a strong capacity to meet contractual cash flows.	12 month expected credit losses
Grade II	Financial assets for which there is a significant increase in credit risk; as significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due.	Lifetime expected credit losses
Grade III	Interest and/or principal repayments are 60 days past due.	Lifetime expected credit losses

18 Financial risk management objectives and policies (cont'd)

There are no significant changes to estimation techniques or assumptions made during the year. No loss allowance provision for other non-trade financial assets has been provided as management has assessed the impact to be not significant.

The gross carrying amount of other non-trade financial asset at amortised cost without taking into account of any collaterals held or other credit enhancements which represents the maximum exposure to loss, is as follows:

Particulars		31-Mar-25	31-Mar-24
12 month ECL	Non-trade financial asset at amortised cost	**17,33,898**	72,07,832

The gross carrying amount of trade receivables and contract assets of the Group are disclosed in Note 4.

(ii) Trade receivables and contract assets:

The Company provides for lifetime expected credit losses for all trade receivables, and contract 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. The loss allowance provision as at 31 March 2024 and 31 March 2023 is determined as follows, the expected credit losses below also incorporate forward looking information such as forecast of economic conditions where the gross domestic product will deteriorate over the next year, leading to an increased number of defaults.

Summarised below is the information about the credit risk exposure on the Group's trade receivables and contract assets using provision matrix, grouped by geographical region:

Group	Contract assets	Not due	0-90 days past due	91-180 days past due	Total
31 March 2025					
Gross carrying amount	3,38,509	6,32,476	7,33,576	8,38,905	25,43,467
Loss allowance provision				(59,614)	(59,614)
31 March 2024					
Gross carrying amount	28,62,442	39,40,349	20,61,310	15,49,213	1,04,13,314
Loss allowance provision				(7,417)	(7,417)

Information regarding loss allowance movement of trade receivables and contract assets are disclosed in Note 4.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

Particulars	Neither past due nor impaired	Past due but not impaired	Total
	US$	US$	US$
As at 31-Mar-2025			
Trade receivables	**15,12,867**	**6,32,476**	**21,45,343**
Contract assets	**3,38,509**		**3,38,509**
Other receivables	**17,96,710**		**17,96,710**
Cash and bank balances	**44,81,840**		**44,81,840**
Total	**81,29,926**	**6,32,476**	**87,62,402**

Particulars	Neither past due nor impaired	Past due but not impaired	Total
	US$	US$	US$
As at 31-Mar-2024			
Trade receivables	36,03,105	39,40,349	75,43,454
Contract assets	28,62,442		28,62,442
Other receivables	75,50,737		75,50,737
Cash and bank balances	58,82,603		58,82,603
Total	**1,98,98,887**	**39,40,349**	**2,38,39,236**

19 Financial risk management objectives and policies (cont'd)

Liquidity risk

The Group monitors its risk to a shortage of funds using its forecasts. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank finance, finance leases and hire purchase contracts. The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Particulars	Group				
	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	US$	US$	US$	US$	US$
As at 31-Mar-2025					
Trade and other payables		**20,97,410**	**45,000**	**-**	**21,42,410**
Borrowings	**-**				**-**
Total	**-**	**20,97,410**	**45,000**	**-**	**21,42,410**
As at 31-Mar-2024					
Trade and other payables		69,05,334	52,56,187	46,92,369	1,68,53,890
Borrowings	17,03,470				17,03,470
Total	**17,03,469**	**69,05,334**	**52,56,187**	**46,92,369**	**1,85,57,359**

20 Events occurring after the end of the reporting year:

There are no significant events occurring after the end of the reporting year, which can materially change the financial results and financial position for the year.

TENZING LIMITED

Unaudited Financial Statements for the year ended March 31, 2025.

Directors
Mr. Anshul Sarin
Mr. Harshvendra Soin

Registered Office
Level 5
22 Fanshawe Street
Auckland, 1010
New Zealand

Nature of business
Management and technology consulting services

Bankers
Westpac Banking Corporation

STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Note	2025	2024
		$	$
ASSETS			
Current assets			
Cash and cash equivalents		**5,343,304**	5,060,606
Trade and other receivables	5	**3,591,933**	4,767,774
Related parties	7	**4,654,082**	4,133,928
Current income tax		**778,027**	246,748
Total current assets		**14,367,346**	14,209,056
Non-current assets			
Property plant and equipment	2(f)	**457,953**	443,105
Right of use assets	9	**938,498**	434,640
Deferred Tax	4(a)	**665,474**	609,212
Total non-current assets		**2,061,925**	1,486,957
Total assets		**16,429,271**	15,696,013
Current liabilities			
Trade and other payables	6	**4,274,981**	4,145,924
Lease liability	9	**339,034**	444,128
Related parties	7	**310,720**	1,818,546
Total current liabilities		**4,924,735**	6,408,598
Non-current liabilities			
Lease liability	9	**610,595**	88,336
Total non-current liabilities		**610,595**	88,336
Total liabilities		**5,535,330**	6,496,934
NET ASSETS		**10,893,941**	9,199,078
EQUITY			
Retained earnings		**10,893,941**	9,199,078
Total Equity		**10,893,941**	9,199,078

Harshvendra Soin
Director

Date: June 13, 2025

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2025

	Note	2025	2024
		$	$
Revenue		**38,254,736**	38,095,495
Expenses			
Subcontractor expenses		**(6,414,080)**	(7,558,048)
Employee expenses		**(26,826,977)**	(27,637,435)
Administration expenses		**(678,139)**	(560,413)
Operational expenses		**(1,369,681)**	(1,400,305)
Depreciation, amortisation and impairment of non-financial assets		**(669,642)**	(617,429)
Operating profit		**2,296,217**	321,865
Net finance expense	3	**79,285**	(39,754)
(Loss)/Profit before income tax		**2,375,502**	282,110
Income tax (expense) / benefit	4	**(680,639)**	594,473
Net (loss)/profit for the year		**1,694,863**	876,583
Other comprehensive income		**-**	-
Total other comprehensive income		**-**	-
Comprehensive (loss)/income for the year attributable to the owners		**1,694,863**	876,583

Harshvendra Soin
Director

Date: June 13, 2025

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Retained earnings	Total equity
	$	**$**
As at 1 April 2024	**9,199,078**	9,199,078
Profit for the year	**1,694,863**	1,694,863
As at 31 March 2025	**10,893,941**	10,893,941
As at 1 April 2023	**8,322,495**	8,322,495
Profit for the year	**876,583**	876,583
As at 31 March 2024	**9,199,078**	9,199,078

Harshvendra Soin
Director

Date: June 13, 2025

STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	2025	2024
	$	$
Operating activities		
Receipts from customers	**38,997,519**	38,554,244
Payments to suppliers and employees	**(36,754,742)**	(36,833,739)
Interest received	**-**	-
Finance costs	**79,285**	(39,754)
Income tax paid	**(1,268,180)**	(674,462)
Net cash generated from operating activities	**1,053,882**	1,006,289
Investing activities		
Purchase of plant and equipment	**(301,211)**	(218,082)
Net cash generated used in investing activities	**(301,211)**	(218,082)
Financing activities		
Receipt of related party advances	**-**	-
Payment of related party advances	**-**	(219,949)
Repayment of lease liability principal	**(469,972)**	(414,187)
Net cash generated used in financing activities	**(469,972)**	(634,136)
Net change in cash and cash equivalents	**282,698**	154,070
Cash and cash equivalents, beginning of year	**5,060,606**	4,906,536
Cash and cash equivalents, end of year	**5,343,304**	5,060,606

Harshvendra Soin
Director

Date: June 13, 2025

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

1. Corporate information

The reporting entity is Tenzing Limited (the “Company”) is incorporated and registered in New Zealand. It is profit orientated and is registered under the Companies Act 1993. The Company is a reporting entity for the purposes of the Financial Reporting Act 2013 and its financial statements comply with that Act.

The Company’s primary activity is management and technology consulting services.

2. Summary of material accounting policies

The financial statements have been prepared using the material accounting policies and measurement bases summarised below.

a) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (“NZ GAAP”). They comply with New Zealand equivalents to International Financial Reporting Standards with Reduced Disclosure Requirements (“NZ IFRS RDR”) and other applicable financial reporting standards as appropriate for profit-oriented entities. The Company has reported under NZ IFRS RDR of the External Reporting Board as the Company is a for-profit Tier 2 entity for financial reporting purposes on the basis that it does not have public accountability and is not a large for-profit public sector entity. The financial statements have been prepared in accordance with the requirements of the Companies Act 1993 and the Financial Reporting Act 2013.”

The financial statements have been prepared on the basis of historical cost, being based on the fair values of the consideration given in exchange for assets. The financial statements have been prepared under the assumption that the Company operates on a going concern basis.

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

b) Changes in accounting policy

The accounting policies adopted are consistent with those of the previous financial year.

The Company has adopted all the new or amended Accounting Standards and Interpretations issued by the New Zealand International Accounting Standards (“NZ IAS”) that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have a significant impact on the financial position of the Company.

Any new or amended Accounting Standards or Intepretations that are not mandatory have not been early adopted.

c) Foreign currency translation

(i) Functional and presentation currency

Both the functional and presentation currency of the Company is New Zealand dollars ($). The amounts presented in those financial statements have been rounded to the nearest NZ$.

(ii) Transactions & balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from translating at year-end exchange rates of monetary and non-monetary assets and liabilities denominated in foreign

currencies are recognised in the profit and loss within the Statement of Comprehensive Income, unless otherwise stated.

d) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

e) Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires. Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price.

Financial assets

Financial assets principally consist of the Company's cash and cash equivalents and trade and other receivables. After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. Trade receivables, which generally have 30-90-day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts. An allowance for credit losses is made when there is objective evidence that the Company will not be able to collect the debt. Credit losses are written off during the period in which they are identified.

Financial liabilities

The Company's financial liabilities include trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through the Statement of Comprehensive Income. Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

All interest-related charges and, if applicable, changes in an instrument's fair value that arereported in the Statement of Comprehensive Income are included within finance costs or finance income.

f) Property, plant and equipment

All property, plant and equipment are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Company's management. This also includes assets held under a finance lease. Property, plant and equipment are subsequently measured using the cost model, being cost less subsequent depreciation and impairment losses.

Depreciation is recognised on a diminishing value ("DV") basis to write down the cost of furniture and fittings, IT equipment and other equipment. The following rate of depreciations are applied:

- Furniture and fittings - 13% to 25% DV
- IT equipment - 50% DV
- Office equipment - 10% to 50% DV

All intangible assets, which comprises software, are accounted for using the cost model whereby capitalised costs are amortised on a diminishing value ("DV") basis over their estimated useful lives. The following rate of depreciation is applied:

- Software - 50% DV

Amortisation has been included within depreciation.

Estimates of useful life are updated as required, but at least annually.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in the Statement of Comprehensive Income within other income or other expenses.

Subsequent expenditures on the maintenance of software is expensed as incurred.

Year ended 31 March 2024	Furniture and fittings	IT equipment	Office equipment	Software	Total
	$	$	$	$	$
Opening net book amount	118,739	312,992	13,167	13,739	458,637
Additions		207,671	4,919	5,493	218,082
Depreciation / amortisation	(18,539)	(203,468)	(2,750)	(8,857)	(233,614)
Closing net book amount	100,200	317,194	15,336	10,375	443,105
As at 31 March 2024					
Cost	219,871	2,393,392	197,915	561,669	3,372,848
Accumulated depreciation / amortisation	(119,671)	(2,076,197)	(182,579)	(551,295)	(2,929,742)
Net book amount	100,200	317,194	15,336	10,375	443,105

f) Property, plant and equipment (continued)

Year ended 31 March 2025	Furniture and fittings	IT equipment	Office equipment	Software	Total
	$	$	$	$	$
Opening net book amount	100,200	317,194	15,336	10,375	443,105
Additions	-	301,211	-	-	301,211
Disposals	-	-	-	-	-
Depreciation / amortisation	(15,082)	(261,856)	(4,166)	(5,259)	(286,363)
Closing net book amount	85,118	356,549	11,170	5,116	457,953
As at 31 March 2025					
Cost	215,987	2,694,603	197,915	561,669	3,670,174
Accumulated depreciation / amortisation	(130,869)	(2,338,054)	(186,745)	(556,553)	(3,212,221)
Net book amount	85,118	356,549	11,170	5,116	457,953

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.

Provisions are reviewed at each balance date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in provision due to the passage of time is recognised in finance costs.

h) Employee benefits

Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

i) Operating expenses

Operating expenses are recognised in the Statement of Comprehensive Income upon utilisation of the service or at the date of their origin.

j) Revenue recognition

Revenue arises from the provision of software services and business process outsourcing services. To determine when to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer

2. Identifying the performance obligations

3. Determining the transaction price

4. Allocating the transaction price to the performance obligations

5. Recognising revenue when and as its performance obligations are satisfied.

The Company enters into agreements with customers to provide software and business process outsourcing solutions, which are specific to that customer's requirements. Services are provided in exchange for a consideration which is calculated either on a 'time and material' basis or a fixed price basis and it recognises the revenue over time. Due to the high degree of interdependence between the various elements of these projects, they are accounted for as a single performance obligation.

To depict the progress by which the Company transfers control of the software and services the customer, and to establish when and to what extent revenue can be recognised, the Company measures its progress towards complete satisfaction of the performance obligation by measuring either inputs or outputs to date. This basis provides the most faithful depiction of the transfer of goods and services to each customer due to the Company's ability to accurately measure the time and materials incurred to date.

If the Company satisfies a performance obligation before it receives the consideration, the Company recognises accrued income within trade and other receivables in its statement of financial position.

All revenue is earned in New Zealand and is recognised in the month that the work is completed.

k) Income tax

Tax expense recognised in the Statement of Comprehensive Income comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, Inland Revenue and other taxation authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from the Statement of Comprehensive Income in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences and tax losses can be utilised.

l) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- When the GST incurred on a purchase of goods and services is not recoverable from the Inland Revenue Department, in which case the GST is recognised as part of the cost of the acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the Statement of Financial Position.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the Inland Revenue Department.

m) Significant management judgement in applying accounting policies and estimation uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.The resulting estimates may not equal related actual results. 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 estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are identified below.

Contract revenue

Recognised amounts of contract revenues and related receivables reflect management's best estimate of each contract's outcome and stage of completion. This includes the assessment of the profitability of on-going contracts. For more complex contracts in particular, costs to complete and contract profitability are subject to significant estimation uncertainty.

Depreciation and Useful Lives of Property, Plant, and Equipment

The depreciation expense for property, plant, and equipment is a significant estimate that involves judgment in determining the useful lives and residual values of these assets. Management reviews the estimated useful lives of the assets on an annual basis and adjusts them if expectations differ from previous estimates due to changes in usage, technology, or business operations. These estimates are based on management's experience with similar assets and take into account anticipated technological changes, maintenance programs, and expected usage.

The estimation process includes an assessment of factors such as the expected pattern of economic benefits, the level of usage, and the condition of the assets.Changes in the estimated useful lives or residual values could have a significant impact on the amount of depreciation recognized in the financial statements in future periods. Any adjustments are made prospectively, with the effect of any change recognized in the period in which the change is determined. The carrying amount of property, plant, and equipment, along with the related depreciation expense, is disclosed in Note 2(f) to the financial statements.

Leases

The accounting for leases involves significant judgments and estimates, particularly in determining the lease term and the discount rate. Management assesses the likelihood of lease renewals, extensions, or terminations when determining the lease term. These judgments are based on management's intentions, past practices, and the strategic importance of the leased assets. The discount rate used to measure the lease liability is another critical estimate. This rate is generally the incremental borrowing rate, which is determined based on the interest rate the company would pay to borrow funds over a similar term and with similar security. This estimation involves a degree of subjectivity, as it requires assumptions about the credit risk of the company and the economic environment. Changes in these judgments or estimates could significantly affect the amount of the lease liability and right-of-use assets recognized in the financial statements. Any adjustments to these estimates are applied prospectively, with the impact recognized in the period of the change. The carrying amount of lease liabilities, right-of-use assets, and the related lease expense are disclosed in Note 9 of the financial statements.

Deferred tax/taxation

The recognition and measurement of deferred tax assets and liabilities require significant judgment and estimation. Management must make assumptions regarding future taxable income, the timing of the reversal of temporary differences, and the likelihood of realizing deferred tax assets. These estimates are reviewed regularly and are based on projected future financial performance, tax laws, and regulations in the relevant jurisdictions. Changes in tax laws, tax rates, or the company's projected future taxable income could have a material impact on the carrying amount of deferred tax assets and liabilities. For instance, a reduction in future taxable income projections might necessitate a valuation allowance against deferred tax assets, thereby increasing tax expense in the financial statements. 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 bases. These are measured using the tax rates expected to apply in the periods in which the differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the reporting date. The carrying amount of deferred tax assets and liabilities and the related tax expense are disclosed in Note 4 to the financial statements.

3. Finance income/(expenses)

Finance income/(expense) for the reporting periods consists of the following:

	2025	2024
	$	$
Interest income	**121,042**	81,669
Finance income	**121,042**	81,669
Interest expense	**(31,120)**	(83,323)
Bank charges	**(10,637)**	(38,100)
Finance costs	**(41,757)**	(121,423)
Net finance expense	**79,285**	(39,754)

4. Income tax

(a) Income tax expense

	2025	2024
	$	$
The major components of income tax expense are:		
Statement of comprehensive income		
Current tax expense	**705,438**	95,745
Adjustments pertaining to prior years	**31,463**	(15,851)
Deferred tax expense relating to the origination and reversal of temporary differences	**(56,262)**	(65,155)
Adjustments to deferred tax pertaining to prior years	**-**	(609,212)
Income tax expense / (benefit)	**680,639**	(594,473)

(b) Numerical reconciliation between aggregate tax expense recognised in profit or loss and tax expense calculated per the statutory income tax rate

A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the Company's applicable income tax rate is as follows:

	2025	2024
	$	$
Total accounting profit before income tax	**2,375,502**	282,110
At the Company's statutory income tax rate of 28% (2024: 28%)	**665,140**	78,990
Non-deductible/(non-assessable items)	**15,499**	16,755
Under/(over) provision in prior years	**-**	(690,218)
Aggregate income tax expense / (benefit)	**680,639**	(594,473)

4 (a) Deferred Tax Asset (DTA)

Deferred tax assets arise from temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The recognition of deferred tax assets is based on the assessment of the likelihood of future taxable profits against which these temporary differences and tax losses can be utilized.

The components of the deferred tax asset and the movement during the year are as follows:

Description	Opening Balance	Recognised in Profit and Loss	Closing Balance
Temporary Differences			
Employee Provision	541,503.00	36,893	578,396
IFRS16 Leases	27,391.00	7,825	35,216
General Accruals	40,318.00	11,544	51,862
Total Deferred Tax Assets	609,212	56,262	665,474

5. Trade and other receivables

	2025	2024
	$	$
Trade receivables	**3,244,141**	4,418,572
Prepayments	**325,954**	238,858
Work in progress	**21,838**	110,345
Carrying amount of trade and other receivables	**3,591,933**	4,767,774

Trade receivables are shown net of expected credit losses, which were $nil for 2025 (2024: $nil).

6. Trade and other payables

(a) Current liabilities

	2025	2024
	$	**$**
Trade payables	**376,679**	605,383
Employee benefits	**1,236,045**	1,549,817
GST payable	**291,634**	399,666
Provisions	**1,400,000**	829,317
Sundry payables	**940,623**	761,741
Unearned revenue	**30,000**	-
Carrying amount of trade and other payables - current	**4,274,981**	4,145,924

7. Related parties

The Company's related parties include its key management, it's Parent Tech Mahindra Singapore, it's Ultimate Parent Tech Mahindra India, and others as described below. Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

For the year ended 31 March 2025 total compensation for key management personnel amounted to $4,594,256 (2024: $5,056,007). The key management personnel are the seven executives with the greatest authority for the strategic direction and management of the Company.

			2025	2024
			$	**$**
(a) Related party transactions				
Name	**Relationship**	**Transaction**		
Tenzing Australia Limited	Common ownership	Sales to	**3,236,631**	2,050,792
Tenzing Australia Limited	Common ownership	Purchases from	**2,238,606**	1,915,709
Tenzing Australia Limited	Common ownership	Advances to	**-**	219,949
Tech Mahindra Limited	Parent company	Sales to	**329,568**	181,028
Tech Mahindra Limited	Parent company	Purchases from	**628,439**	926,560
			6,433,244	5,294,038
(b) Related party balances				
Name	**Relationship**	**Type**		
Tenzing Australia Limited	Common ownership	Receivable	**9,574,740**	4,031,655
Tenzing Australia Limited	Common ownership	Payable	**(5,300,043)**	(165,587)
Tech Mahindra Limited	Parent company	Receivable	**183,073**	102,273
Tech Mahindra Limited	Parent company	Payable	**(114,407)**	(1,652,959)
			4,343,362	2,315,382

8. Financial instruments

The Company's principal financial instruments comprise receivables, payables and cash.

	2025	2024
	$	$
Financial assets at amortised cost:		
- Cash and cash equivalents	**5,343,304**	5,060,606
- Trade and other receivables	**3,265,979**	4,528,917
	8,609,283	9,589,523
Financial liabilities at amortised cost:		
- Trade and other payables	**2,747,302**	2,596,108
- Lease liabilities	**949,629**	532,464
	3,696,931	3,128,572

The fair values of these financial instruments approximate to their carrying values.

9. Leases

The Company as a lessee

For any contracts entered into, the Company considers whether a contract is, or contains, a lease.

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the Statement of Financial Position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease 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 Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in the Statement of Comprehensive Income 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. Where the Company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred. The Company leases two premises under a non-cancellable operating lease.

Set out below are the carrying amounts of right of use assets recognised and the movements during the period:

	Office Building	Total
	$	$
As at 1 April 2024	**434,640**	434,640
Lease remeasurement	**887,137**	887,137
Depreciation expense	**(383,279)**	(383,279)
As at 31 March 2025	**938,498**	938,498

Set out below are the carrying amounts of lease liabilities and the movements during the period:

As at 1 April 2024	532,464
Lease remeasurement	894,331
Accretion of interest	23,203
Payments	(500,369)
As at 31 March 2025	949,629

Presented as:	
Current	339,034
Non-current	610,595
	949,629

The following are the amounts recognised in the Statement of Comprehensive Income:

	2025	2024
	$	$
Depreciation expense of right of use assets	**383,279**	383,815
Interest expense on lease liabilities	**23,203**	53,146
Total amount recognised in the Statement of Comprehensive Income	**406,482**	436,961

10. Share Capital

	Shares	$
Balance as at 1 April 2024	**100,000**	4,278,000
Add: Shares issued during the year	**-**	-
Balance as at 31 March 2025	**100,000**	4,278,000

	Shares	$
Balance as at 1 April 2023	**100,000**	4,278,000
Add: Shares issued during the year	**-**	-
Balance as at 31 March 2024	**100,000**	4,278,000

The company has one class of shares where each share carries equal rights.

11. Capital Commitments

The Company has no capital commitments as at 31 March 2025 (2024: nil).

12. Contingencies

The Company has no contingencies at year as at 31 March 2025 (2024: nil).

13. Post-Balance date events

The Directors are not aware of any other matters or circumstances after year end which would impact the financial statements.

Harshvendra Soin
Director

Lata Shinde
Tech Mahindra Ltd - Finance

Date: June 13, 2025

TENZING AUSTRALIA LIMITED

Unaudited Financial Statements for the year ended March 31, 2025

Directors
Mr. Anshul Sarin
Mr. Harshvendra Soin

Registered Office
Level 5
22 Fanshawe Street
Auckland, 1010
New Zealand

Nature of business
Management and technology consulting services

Bankers
Westpac Banking Corporation

TENZING AUSTRALIA LIMITED

STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Note	2025	2024
		$	$
ASSETS			
Current assets			
Cash and cash equivalents		**5,970,185**	2,292,791
Trade and other receivables	5	**2,099,732**	597,431
Current income tax		**20,071**	-
Related parties	7	**1,327,929**	6,192,301
		9,417,916	9,082,523
Non current assets			
Deferred Tax	4(c)	**73,268**	54,909
		73,268	54,909
Total assets		**9,491,184**	9,137,432
Current liabilities			
Trade and other payables	6	**1,224,983**	1,503,982
Related parties	7	**4,411,913**	4,538,248
Current income tax		**-**	61,881
Total current liabilities		**5,636,896**	6,104,111
NET ASSETS		**3,854,287**	3,033,320
EQUITY			
Retained earnings		**3,922,049**	3,162,261
Foreign currency translation reserve		**(67,761)**	(128,940)
Total Equity		**3,854,287**	3,033,320

Harshvendra Soin
Director

Lata Shinde
Tech Mahindra Ltd - Finance

Date: June 13, 2025

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2025

	Note	2025	2024
		$	$
Revenue		**12,951,624**	9,775,542
Expenses			
Subcontractor expenses		**(8,306,855)**	(6,071,903)
Employee expenses		**(3,429,212)**	(2,339,764)
Administration expenses		**(120,515)**	(325,416)
Other expense		**(60,818)**	(22,793)
Operational expenses		**(7,456)**	(9,462)
Operating profit		**1,026,768**	1,006,203
Net finance income / (expense)	3	**2,698**	(7,786)
Profit before income tax		**1,029,466**	998,417
Income tax expense	4	**(269,678)**	(313,458)
Net profit for the year		**759,788**	684,959
Other comprehensive income		**61,180**	11,772
Total other comprehensive income		**61,180**	11,772
Comprehensive income for the year attributable to the owners		**820,968**	696,731

Harshvendra Soin
Director

Lata Shinde
Tech Mahindra Ltd - Finance

Date: June 13, 2025

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Foreign currency translation reserve	Retained earnings	Total equity
	$	$	$
As at 1 April 2024	**(128,940)**	**3,162,261**	**3,033,320**
Profit for the year	-	759,788	759,788
Other comprehensive income for the year	61,180	-	61,180
As at 31 March 2025	**(67,760)**	**3,922,049**	**3,854,287**
As at 1 April 2023	**(140,712)**	**2,477,302**	**2,336,590**
Profit for the year	-	684,959	684,959
Other comprehensive income for the year	11,772	-	11,772
As at 31 March 2024	**(128,940)**	**3,162,261**	**3,033,320**

Harshvendra Soin
Director

Lata Shinde
Tech Mahindra Ltd - Finance

Date: June 13, 2025

STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	2025	2024
	$	$
Operating activities		
Receipts from customers	**16,313,694**	9,445,660
Payments to suppliers and employees	**(12,314,179)**	(7,615,664)
Income tax paid	**(369,989)**	(674,900)
Finance costs	**2,698**	(7,786)
Net cash generated from operating activities	**3,632,224**	1,147,309
Financing activities		
Receipt of related party advances	**-**	200,000
Net cash generated from financing activities	**-**	200,000
Net change in cash and cash equivalents	**3,632,224**	1,347,309
Cash and cash equivalents, beginning of year	**2,292,791**	942,025
Effects on exchange rates on cash and cash equivalents	**45,169**	3,457
Cash and cash equivalents, end of year	**5,970,185**	2,292,791

Harshvendra Soin
Director

Lata Shinde
Tech Mahindra Ltd - Finance

Date: June 13, 2025

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

1. Corporate information

The reporting entity is Tenzing Australia Limited (the "Company") is incorporated and registered in New Zealand. It is profit orientated and is registered under the Companies Act 1993. The Company is a reporting entity for the purposes of the Financial Reporting Act 2013 and its financial statements comply with that Act.

The Company's primary activity is management and technology consulting services.

2. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

a) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with New Zealand equivalents to International Financial Reporting Standards with Reduced Disclosure Requirements ("NZ IFRS RDR") and other applicable financial reporting standards as appropriate for profit-oriented entities. The Company has reported under NZ IFRS RDR of the External Reporting Board as the Company is a for-profit Tier 2 entity for financial reporting purposes on the basis that it does not have public accountability and is not a large for-profit public sector entity. The financial statements have been prepared in accordance with the requirements of the Companies Act 1993 and the Financial Reporting Act 2013.

The financial statements have been prepared on the basis of historical cost, being based on the fair values of the consideration given in exchange for assets. The financial statements have been prepared under the assumption that the Company operates on a going concern basis.

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

b) Changes in accounting policy

The accounting policies adopted are consistent with those of the previous financial year.

The Company has adopted all the new or amended Accounting Standards and Interpretations issued by the New Zealand International Accounting Standards ("NZ IAS") that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have a significant impact on the financial position of the Company.

Any new or amended Accounting Standards or Interpretations that are not mandatory have not been early adopted.

c) Foreign currency translation

(i) Functional and presentation currency

The functional currency of the Company is Australian dollars. The presentation currency of the Company is New Zealand dollars (NZ$) and the financial statements are rounded to the nearest NZ$.

For the purposes of presenting the financial statements, the assets and liabilities of the Company's operations are translated at exchange rates prevailing on the reporting date. Income and expense are translated at the average exchange rate for the period. Exchange differences arising are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve)

(ii) Transactions & balances

Transactions in currencies other than the Company's functional currency (foreign currencies) are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. 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.

Foreign exchange gains and losses resulting from the settlement of such transactions and from translating at year-end exchange rates of monetary and non-monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss within the Statement of Comprehensive Income, unless otherwise stated.

d) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

e) Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a signficant financing component which are measured at transaction price.

Financial assets

Financial assets are classified as measured at amortised cost if the Company's intention is to hold the financial assets for collecting cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest

Financial assets principally consist of the Company's cash and cash equivalents and trade and other receivables and currently classifies these as financial assets measured at amortised cost.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. Trade receivables, which generally have 30-90-day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts. An allowance for credit losses is made when there is objective evidence that the Company will not be able to collect the debt. Credit losses are written off during the period in which they are identified.

Financial liabilities

The Company's financial liabilities include trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

f) 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.

Provisions are reviewed at each balance date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in provision due to the passage of time is recognised in finance costs.

g) Employee benefits

Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

h) Operating expenses

Operating expenses are recognised in the Statement of Comprehensive Income upon utilisation of the service or at the date of their origin.

i) Revenue recognition

Revenue arises from the provision of software services and business process outsourcing services. To determine when to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer

2. Identifying the performance obligations

3. Determining the transaction price

4. Allocating the transaction price to the performance obligations

5. Recognising revenue when and as its performance obligations are satisfied.

The Company enters into agreements with customers to provide software and business process outsourcing solutions, which are specific to that customer's requirements. Services are provided in exchange for a consideration which is calculated either on a 'time and material' basis or a fixed price basis and it recognises the revenue over time. Due to the high degree of interdependence between the various elements of these projects, they are accounted for as a single performance obligation.

To depict the progress by which the Company transfers control of the software and services the customer, and to establish when and to what extent revenue can be recognised, the Company measures its progress towards complete satisfaction of the performance obligation by measuring either input or outputs to date. This basis provides the most faithful depiction of the transfer of goods and services to each customer due to the Company's ability to accurately measure the time and materials incurred to date.

If the Company satisfies a performance obligation before it receives the consideration, the Company recognises accrued income within trade and other receivables in its Statement of Financial Position.

All revenue is earned in Australia and is recognised in the month that the work is completed.

j) Income tax

Tax expense recognised in the Statement of Comprehensive Income comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, the Australian Tax Office and other taxation authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from the Statement of Comprehensive Income in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences and tax losses can be utilised.

k) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

When the GST incurred on a purchase of goods and services is not recoverable from the Australian

Tax Office or Inland Revenue Department, in which case the GST is recognised as part of the cost of

the acquisition of the asset or as part of the expense item as applicable; and

Receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Australian Tax Office or Inland Revenue Department is included as part of receivables or payables in the Statement of Financial Position.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the Australian Tax Office or Inland Revenue Department.

l) Significant management judgement in applying accounting policies and estimation uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. The resulting estimates may not equal related actual results. Estimates and judgements 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 estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are identified below:”

Contract revenue

Recognised amounts of contract revenues and related receivables reflect management’s best estimate of each contract’s outcome and stage of completion. This includes the assessment of the profitability of on-going contracts. For more complex contracts in particular, costs to complete and contract profitability are subject to significant estimation uncertainty.

3. Finance income/(expense)

Finance income/(expense) for the reporting periods consists of the following:

	2025	2024
	$	$
Interest income	-	-
Finance income	-	-
Interest and bank charges	**2,698**	(7,786)
Finance costs	**2,698**	(7,786)
Net finance income/(expense)	**2,698**	(7,786)

4. Income tax

(a) Income tax expense

	2025	2024
	$	$
The major components of income tax expense are:		
Statement of comprehensive income		
Current tax expense	**288,037**	330,436
Adjustments to current tax pertaining to prior years	**-**	37,930
Adjustments to deferred tax pertaining to prior years	**-**	(24,246)
Deferred tax expense relating to the origination and reversal of temporary differences	**(18,359)**	(30,662)
Income tax expense	**269,678**	313,458

(b) Numerical reconciliation between aggregate tax expense recognised in profit or loss and tax expense calculated per the statutory income tax rate

A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the Company's applicable income tax rate is as follows:

	2025	2024
	$	$
Total accounting profit before income tax	**1,029,466**	**998,417**
At the Company's statutory income tax rate of 30% (2023: 30%)	**308,840**	**299,523**
Non-deductible/(non-assessable) items	**-**	**249**
Under/(over) provision in prior years	**(39,162)**	**13,684**
Aggregate income tax expense	**269,678**	**313,458**

4 (c) Deferred Tax Asset (DTA)

Deferred tax assets arise from temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The recognition of deferred tax assets is based on the assessment of the likelihood of future taxable profits against which these temporary differences and tax losses can be utilized.

The components of the deferred tax asset and the movement during the year are as follows:

Description	Opening Balance	Recognised in Profit and Loss	Closing Balance
Temporary Differences			
Employee Provision	27,077	9,215	35,846
General Accruals	27,832	9,144	37,422
Total Deferred Tax Assets	54,909	18,359	73,268

5. Trade and other receivables

	2025	2024
	$	$
Trade receivables	**2,098,840**	597,431
Work in progress	**891**	-
Carrying amount of trade and other receivables	**2,099,732**	597,431

6. Trade and other payables

	2025	2024
	$	$
Trade payables	**444,610**	462,693
Employee benefits	**357,630**	134,171
GST payable	**258,541**	699,360
Provisions	**96,302**	92,822
Sundry payables	**67,901**	114,936
Carrying amount of trade and other payables	**1,224,983**	1,503,982

7. Related parties

The Company's related parties include its key management, it's Parent Tech Mahindra Singapore, it's Ultimate Parent Tech Mahindra India, and others as described below. Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

For the year ended 31 March 2025 there was no compensation paid to key management personnel (2024: $nil). The key management personnel are all the directors of the company and executives with the greatest authority for the strategic direction and management of the Company.

			2025	2024
(a) Related party transactions				
Name	**Relationship**	**Transaction**		
Tenzing Limited	Common ownership	Sales to	**1,991,618**	1,877,131
Tenzing Limited	Common ownership	Purchases from	**(2,969,661)**	2,126,307
Tenzing Limited	Common ownership	Advances from	**-**	200,000
Tech Mahindra Limited	Parent company	Sales to	**2,331,680**	2,146,052
Tech Mahindra Limited	Parent company	Purchases from	**(636,281)**	470,122
			717,356	6,819,612
(b) Related party balances				
Name	**Relationship**	**Type**		
Tenzing Limited	Common ownership	Payable	**(9,598,827)**	(3,948,218)
Tenzing Limited	Common ownership	Receivable	**5,300,043**	168,670
Tech Mahindra Limited	Parent company	Payable	**(113,129)**	(704,966)
Tech Mahindra Limited	Parent company	Receivable	**1,327,929**	6,023,631
			(3,083,984)	1,539,117

8. Financial instruments

The Company's principal financial instruments comprise receivables, payables and cash.

	2025	**2024**
	$	$
Financial assets at amortised cost:		
- Cash and cash equivalents	**5,970,185**	2,292,791
- Trade and other receivables	**2,099,732**	597,431
	8,069,916	2,890,222
Financial liabilities at amortised cost:		
- Trade and other payables	**608,813**	1,369,811
	608,813	1,369,811

The fair values of these financial instruments approximate to their carrying values.

9. Capital Commitments

The Company has no capital commitments as at 31 March 2025 (2024: nil).

10. Contingencies

The Company has no contingencies at year as at 31 March 2025 (2024: nil).

11. Post-Balance date events

The Directors are not aware of any other matters or circumstances after year end which would impact the financial statements.

Harshvendra Soin
Director

Lata Shinde
Tech Mahindra Ltd - Finance

Date: June 13, 2025

SATYAM VENTURE ENGINEERING SERVICES PRIVATE LIMITED

BOARD OF DIRECTORS
Mr. Narasimham Venkata Rachakonda- Chairman
Mr. Jayaraman Ganapathy- Director
Ms. Krishna Kumari Palle- Director
Mr. Subramanyam Reddy Chelikam- Independent Director
Mr. Venkatakumar Raju Vadapalli- Director
Mr. Venkateswara Rao Gajjala – Director
Mr. Venkateswarlu Jonnalagadda- Independent Director
Mr. Vineet Vij – Director

COMMITTEES OF THE BOARD

AUDIT COMMITTEE
Mr. Venkateswarlu Jonnalagadda-Chairman
Mr. Subramanyam Reddy Chelikam-Member
Mr. Venkatakumar Raju Vadapalli-Member

NOMINATION AND REMUNERATION COMMITTEE
Mr. Narasimham Venkata Rachakonda-Chairman
Mr. Venkateswarlu Jonnalagadda-Member
Mr. Subramanyam Reddy Chelikam- Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
Mr. Jayaraman Ganapathy- Chairman
Mr. Venkatakumar Raju Vadapalli- Member
Mr. Venkateswarlu Jonnalagadda- Member

KEY MANAGERIAL PERSONNEL
Mr. Rao S. Vadlamudi – Chief Executive Officer
Mr. Srinivas Ramancherla- Chief Financial Officer
Ms Aradhana Rewatkar, Company Secretary – up to August 04, 2024.

AUDITORS
M/s. M. Bhaskara Rao & Co., Chartered Accountants
5-D, Fifth Floor, ‘Kautilya’
6-3-652, Somajiguda
Hyderabad-500082

BANKERS
ICICI Bank Limited
HSBC Limited

REGISTERED OFFICE:
1-8-301-306, 3rd Floor, Ashoka My Home Chambers,
S. P Road, Secunderabad- 500 003,Telangana,India

DIRECTORS' REPORT

Dear Members,

Your Directors have the pleasure to present the Twenty Fifth Annual Report together with the Audited Financial Statements of the Company for the year ended March 31, 2025.

The Company's Standalone financial results for the year under review along with the previous year's results are presented hereunder:

FINANCIAL HIGHLIGHTS

₹ In Millions

Particulars	2024-2025	2023-2024
Income	3,762.81	3,737.97
Other Income	265.45	252.13
Total Income	4028.26	3,990.11
Operating Profit (EBITDA)	531.50	522.82
Operating Margin	14.13%	13.99%
Depreciation	80.23	85.30
EBT	707.92	646.77
Net Income (PAT)	614.41	525.70
Current Tax	150.07	161.47
Tax relating to earlier years	-86.63	-59.06
Deferred Tax	30.07	18.66
Cash & Cash Equivalent	263.02	567.10
Long Term Debt	-	-
Capital Expenditure	90.12	24.58

BUSINESS OVERVIEW

During the year under review, the Company secured business orders from 16 new Customers. Key Customer additions include:

- EV OEM from USA
- Commercial Vehicle OEM from USA
- 3W EV OEM from India
- Seating Tier1 from China
- 2W OEM from India
- Charging Systems Manufacturer from USA
- New Age Material Supplier from Japan & India
- Seating Tier1 from USA
- 3W EV & Battery Start-up from Japan
- Large Tier-1 from Japan

Major wins include:

- New business from German OEM in Luxury segment in Interiors and Seating areas – TCV of $ 5.5 M over 4 years
- Additional business from Engineering Division of OEM from Japan - $ 1.3 M
- Expansion into other divisions (Seating and Chassis) of US EV OEM - $ 0.75 M /year
- Body CAD & CAE work for Korean OEM in India – $ 0.6 M /year
- IMDS & CFD support to Commercial Vehicle OEM from USA : $ 0.44 M
- End-to-end Design & Simulation for EV 3-wheeler project : $ 0.35 M over 2 years
- EV OEM, USA : CAD & CAE work - $ 0.27 M

The Company continued to enjoy 97.5% repeat business based on its quality of services and value addition. The Top 15 customers accounted for 89% of the Company's revenues in FY25.

The Company revenue increased by 0.7% in FY25 (compared to FY24) due to sustained efforts in increasing market penetration inspite of the following Global & Automotive Industry related headwinds:

- Poor growth outlook towards EV segment (EV business is growing in China, but European OEMs are losing out to Chinese OEMs)
- Auto suppliers focus towards their captive centres and in-sourcing of work, thus affecting business for existing ESO/Partners
- Budget cuts globally towards vehicle development – Global phenomenon
- Lack of penetration post COVID time in China
- Continued challenges in hiring & building resource pool in Mechatronics
- Challenges in increasing business at offsite centres due to low rates from competitors

The Company continued Work from office for all India based associates in FY25 to improve collaborative work environment.

The Company continued its focus on various cost optimization measures throughout the year.

The Company's Data Privacy and Information Security Policy continues to be at a higher level and strong compliance was demonstrated. The Company continued certifications in ISO 9001, ISO 27001, ISO 14001, ISO 45001 and also TISAX ASL 3 for its various locations globally.

The Company continues to invest in its associates when it comes to their Training & Development such as:

- **Executive Coaching** for 24 associates (5 onsite and 19 offshore)
- **Women Leaders Program** – 4 Woman associates for 6 months
- **German language certification** - 12 Associates are Certified in A1 Level

The Company is also actively supporting EHSMS (Environment, Health & Safety Management Systems) initiatives across various locations.

Several of the Company's engineers received Achievement and Champion awards directly from customer senior leadership teams.

Marketing & Communication

The Company participated in various Industry Events in India, USA, Mexico, Japan and China to increase its visibility in the Automotive Market and also understand technology trends.

Academia Connect Initiatives

The Company continued to collaborate with Hiroshima Industry Promotion Council on various Industry focused research and development projects.

The Company is also continuing Joint Research Collaboration & Consulting related to EV related Technologies with Kagawa University.

Future Prospects

For long term sustainance and growth, the Company plans to develop more Offsite Engineering Centers in developed markets such as USA & Europe, expand presence in Mexico & China and explore entering new markets.

The Company is continuing its focus on the following areas to help achieve higher growth targets for FY26 and beyond, and also meet the requirements of existing customers and business:

- Account mining as a key focus for established customers (OEMs & Suppliers).
- Growth areas – Mechatronics, EV segment & Program level & turn key support in Seating, HVAC, Interiors, Lighting, Exteriors & BIW.
- Develop competencies to meet the growing customer demands in areas such as Mechatronics (HIL, SIL, BEMS, Functional Safety, AUTOSAR), AI/ML/DL (Design, Safety, NVH applications), EV (Benchmarking, Motor Design, Thermal management), Digital Manufacturing (AR/VR & Industry 4.0) and Others (Systems modelling).

- Explore more risk-reward solutions
- Develop POCs inline with customer focus areas in high end technology.
- Bilingual engineers to address Japan & Germany markets

STATUTORY AUDITORS

M/s. M. Bhaskara Rao & Co., Chartered Accountants, Hyderabad were appointed as Statutory Auditors of the Company on the 19th Annual General Meeting ('AGM') of the Company held on July 23, 2019 to hold office for a period of five consecutive years from the conclusion of that AGM until the conclusion of 24th AGM. M/s. M. Bhaskara Rao & Co., being eligible, offered themselves for re-appointment. Accordingly, in terms of Section 139 of the Companies Act, 2013 ('the Act') and the Rules made thereunder, the Board, on the recommendations of the Audit Committee had recommended the re-appointment of M/s. M. Bhaskara Rao & Co. Chartered Accountants for a term of five consecutive years, to hold office from the conclusion of 24th AGM till the conclusion of 29th AGM of the Company.

The auditors have confirmed their eligibility under Section 139 of the Act the Rules framed thereunder for continuing in the office of Auditors for the Financial Year 2025-26.

AUDITORS REPORT

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their Report.

In respect of Emphasis of Matters (EOM) made in the Auditors' Report, the Disclosures made at Note No. 30.2 and 31 in Notes to Accounts are self-explanatory.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Motati Gayathri, Practicing Company Secretary (Certificate of Practice: 8947), to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as Annexure A.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor have reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Act.

INTERNAL FINANCIAL CONTROLS

During the year under review, the external consultant appointed by the Company conducted periodic review of Internal Financial Controls ('IFC') Framework.

The controls are adequate for ensuring the orderly and efficient conduct of the business, including adherence to the Company's policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

DEPOSITS

During the year under review the Company has not accepted any deposits from the public.

DIVIDEND

No dividend is recommended by the Board of Directors of the Company for Financial Year 2024-25. No amount was required to be transferred to Reserves of the Company

BOARD MEETING AND ANNUAL GENERAL MEETING

During the financial year ended March 31, 2025, four Board Meetings were held on, April 19, 2024, July 19, 2024, October 16, 2024 and January 12, 2025 respectively. The maximum interval between any two meeting did not exceed 120 days as prescribed in the Act.

The dates of the Committee Meetings are as follows:

Audit Committee Meeting: April 19, 2024, July 19, 2024, October 16, 2024 & January 12, 2025

Corporate Social Responsibility Committee: April 19,2024, July 19,2024 & January 12, 2025

Nomination & Remuneration Committee: April 19, 2024, July 12, 2024, July 18, 2024 & October 16, 2024.

The 24th AGM of the Company was held on July 19, 2024. All Board Members were present at the 24th AGM of the Company.

DIRECTORS

The Company recognizes and embraces the importance of a diverse Board in its success. As on March 31, 2025 and the date of this report, Board of the Company consists of 8 Directors including 2 Independent Directors

The Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act for financial year 2024-25.

Pursuant to the provisions of Section 152(6) (c) of the Act, Ms. Krishna Kumari Palle (DIN: 08011919) and Mr. Jayaraman Ganapathy (DIN: 01461157), Directors are liable to retire by rotation and being eligible, offer themselves for re-appointment.

Number of Board & Committee Meetings attended by the Board Members:-

Directors	Board Meeting	Audit Committee	Corporate Social Responsibility	Nomination & Remuneration
Mr. Narasimham Venkata Rachakonda	3	-	-	-
Mr. Jayaraman Ganapathy	4	-	2	-
Mrs. Krishna Kumari Palle	4	-	-	4
Mr. Venkateswarlu Jonnalagadda	4	4	3	4
Mr. Subramanyam Reddy Chelikam	4	4	-	4
Mr. Jayaraman Ganapathy	4	-	3	-
Mr. Venkatakumar Raju Vadapalli	4	4	3	-
Mr. Vineet Vij	4	-	-	-

INTERNAL AUDITOR

Pursuant to Section 138 of the Act, the Company had appointed M/s Chaitanaya V & Associates, Chartered Accountants as the Internal Auditors of the Company from October 19, 2024 to October 18, 2025.

BOARD EVALUATION

Pursuant to the provisions of Section 178 of the Act and the Companies (Accounts) Rules, 2014, the Directors have reviewed the performance of the Board, Committee and Individual Directors for Financial Year 2024-25. The Board of Directors of the Company has been assessed to be functioning with sufficient overall effectiveness in consideration of its duties and obligations

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

There have been no material changes and commitments which affect the financial position of the Company that have occurred between the end of the Financial Year to which the financial statements relate and the date of this report.

REMUNERATION POLICY

The Board upon the recommendations of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration during Financial Year 2014-15. Extract of the Remuneration Policy is annexed as **Annexure B.**

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR vision of the Company is “Community Development through Education”.

Pursuant to the guidelines prescribed under Section 135 of the Act, the Board has formed a Committee viz, Corporate Social Responsibility (CSR) Committee. The Board of Directors of the Company laid down the CSR Policy, covering the objectives, focus areas, governance structure and monitoring & reporting framework among others. The CSR Committee of the Board oversees and guides the CSR approach and deployment in line with the CSR policy adopted by the Board.

The Company has spent more than 2% of the average net profits of the Company during the three immediately preceding financial years on CSR.

The policy is available at https://satyamventure.com/csr/

The Company’s social initiatives are carried out by Tech Mahindra Foundation, Section 8 (erstwhile Section 25) Companies promoted by Tech Mahindra Limited. The Annual Report on CSR Activities is annexed as an **Annexure C**.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were at arm’s length basis and were in the ordinary course of business. No material related party transactions were made by the Company with its Promoters,

Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions for the period under review are placed before the Audit Committee and the Board for its approval. Pursuant to clause (h) of subsection (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, Form AOC 2 is annexed to this Report as **Annexure D**.

RISK MANAGEMENT

The Company has developed its Risk Assessment Framework and is being implemented under the ISO standards and IFC Framework.

The Company's Risk Management also forming part of the Risk Management Framework adopted by the Holding Company wherein the elements of risks are overviewed for the organization as a whole including its subsidiaries.

Risk assessment & mitigation plans in perspective of the following parameters have been done:

- Customers (Revenue, Receivables, Delivery & Communication)
- Profitability Impact
- Cash flows
- Work from Home (Productivity & Cyber Security)
- Associate engagement & wellbeing
- Vendor management
- Statutory Compliances

WHISTLE BLOWER MECHANISM

Whistle Blower Mechanism is a part of the Company's Code of Ethical Business Conduct Policy which is applicable to all its subsidiaries & branches. The Policy sets out ways through which the stakeholders can raise concerns that relate to actual or suspected violations to the Corporate Ombudsman Office. No complaints were received during the period under review.

SUSTAINABILITY

The Company has taken several steps to support the Green Initiatives including "Disposal of E-waste through Government authorized Agency".

PREVENTION OF SEXUAL HARASSMENT POLICY

The Company has Prevention of Sexual Harassment Policy in which it formalized a free and fair enquiry process with clear timeline. The Company has also formed an Internal Redressal Committee to which employees can write their complaints. During the year under review, the Company has not received any such complaint in this regard and no cases were filed pursuant to MGT-7 Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ANNUAL RETURN

The Annual Return in Form MGT-7 will be hosted on website at https://satyamventure.com/investors/ after necessary certification and filing the same with the authority.

PARTICULARS OF EMPLOYMENT

Section 197 (12) of the Act, read with the Rule 5(1) of the Companies (Remuneration of Managerial Personnel), 2013 are not applicable for your Company.

FORM OF STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES

The statement containing the salient features of the financial statement of a Company's Subsidiaries, Associate Companies and Joint Ventures, under the first proviso to sub-section (3) of Section 129 in Form AOC-1 is annexed herewith as **Annexure 'E**.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / PROCEEDINGS

There are no significant and material orders passed by the regulators or courts or tribunal impacting the going concern status and the Company's operations in the future.

Further no application against the Company has been filed or is pending under the Insolvency and Bankruptcy Code, 2016, nor has the Company done any one-time settlement with any bank or financial institutions.

DETAILS OF SUBSIDIARIES:

During the year under review, the Company had three Subsidiaries, namely, Satven GmbH at Germany, Satyam Venture Engineering Services (Shanghai) Co. Ltd. at China and Satyam Venture Japan KK at Japan.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company did not provide/give any loans, guarantees under Section 186 of the Act.

Investments under Section 186 of the act as of March 31, 2025 are as follows:

Name of Body Corporate	Nature of transaction (whether Loan/Guarantee /Security /Acquisition)	Amount of Loan/ Security/ Acquisition /Guarantee (in ₹)	Purpose of Loan/ Acquisition /Guarantee/ Security
Satven GmbH	Equity Investment	3,59,49,925	Investment in Subsidiaries
Satyam Venture Engineering Services (Shanghai) Co. Limited	Equity Investment	2,32,30,060	Investment in Subsidiaries
Satyam Venture Japan KK	Equity Investment	4,60,23,600	Investment in Subsidiaries

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The particulars prescribed as per Section 134(3)(m) of Act read with Rule 8 of the Companies (Accounts) Rules 2014.

A. Conservation of Energy:

The Company uses electrical energy for its equipments such as, air-conditioners, computer terminals, lighting and utilities at workplaces. As an ongoing process, the Company continued to undertake the following measures to conserve energy:

- Implemented LED lighting systems to optimize power consumption.
- Implementation of Sensor lighting system in cabins.
- Identification and replacement of low efficient computers and peripherals.
- Conducting continuous energy conservation awareness and training sessions.
- Periodical maintenance of electrical equipment, air conditioners & other computer peripherals.

Capital investment on energy conservation equipment: NIL

B. Technology Absorption

The Company has continued its endeavor to adopt technologies for its services to meet the requirements of a globally competitive market. The Company is compliant with the prevalent regulatory norms.The Company collaborates with the Customers and develops the technology and register the patents from the project outcome. The Company also participates in various Global Automotive Forums to acquaint with the latest trends in the technology areas. These initiatives are providing additional revenue streams to the Company apart from higher visibility in the market.

During the last three years, the Company did not import any technology.

No cost has been incurred towards Research and Development.

C. Foreign Exchange Earnings and Outgo

(**₹ In Million**)

Particulars	**March 31, 2025**	**March 31, 2024**
I) Foreign Exchange Earnings	2,419.73	2,515.41
II) Foreign Exchange Outgo	1,656.66	1,585.59

DIRECTORS' RESPONSIBILITY STATEMENT

As required by the provisions of Section 134 of the Act, Directors' Responsibility Statement is attached as **Annexure F.**

ACKNOWLEDGEMENT

The Directors take this opportunity to place on record the valuable contribution and support received from the Customers, Members, Banks, Suppliers, Consultants and Associates and also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

Place: Hyderabad
Date: April 18, 2025

For and on behalf of the Board of Directors

Narasimham Venkata Rachakonda
Chairman
DIN: 00339167

/

ANNEXURE A

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

To,

The Members,

SATYAM VENTURE ENGINEERING SERVICES PRIVATE LIMITED

1-8-301-306, 3rd Floor
Ashoka My Home Chambers
Secunderabad, Telangana- 500003

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SATYAM VENTURE ENGINEERING SERVICES PRIVATE LIMITED (CIN-U72200TG2000PTC033213)** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents, and authorised representatives during the conduct of the secretarial audit, I hereby report that in my opinion, the Company has during the period covering the financial year ended on March 31, 2025 ("Audit Period") complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

I have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2025, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder to the extent applicable**. [Not applicable as the Company is not listed on any of its securities on any Stock Exchanges]**;

(iii) The Depositories Act, 1996, and the Regulations and Bye-laws framed thereunder;
[Not applicable as the Company has equity shares in physical form only].

(iv) Foreign Exchange Management Act, 1999, and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial borrowings. **They complied with the extent applicable to the Company.**

(v) The following Regulations and Guidelines are prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable as a subsidiary of Tech Mahindra Limited, a Public Company listed on National Stock Exchange of India Limited and BSE Limited:-

*a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

*b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

*c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

*d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021;

*e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

*f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

*g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

*h) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

***Not applicable as there was no reportable event during the audit period**

Laws specifically applicable to the industry to which the Company belongs, as identified by the management and compliance thereof as examined on a test check basis and as confirmed by the management, that is to say:

i. The Employee Provident Fund and Miscellaneous Provisions Act, 1952

ii. The Payment of Bonus Act, 1965

iii. The Payment of Gratuity Act, 1972

iv. The Contract Labour (Regulation and Abolition) Act, 1970

v. The Maternity Benefits Act, 1961

vi. The Income Tax Act, 1961

vii. Shops and Establishments Act, 1948

viii. The Environment (Protection) Act, 1986

vi) Other laws to the extent applicable to the Company as per the representations made by the Company.

I have also examined compliance with the applicable clauses of the following:

(a) Mandatory Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

(b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable as a subsidiary of Tech Mahindra Limited, a Public Company listed on the National Stock Exchange of India Limited and BSE Limited.

During the audit period, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards to the extent applicable, as mentioned above.

I further report that,

The Board of Directors of the Company is duly constituted with a proper balance of Non-Executive Directors, Independent Directors, and a Woman Director. The changes in the composition of the Board of Directors that took place during the Audit period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board and Committee Meetings. The agenda and detailed notes on the agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Shareholders of the Company have not adopted financial statements at the Annual General Meeting held on July 19, 2024, and the same was recorded as part of the Annual General Meeting minutes. The provisional unadopted financial statements are filed with the Registrar of Companies, Hyderabad.

There were Related Party Transactions which, in the opinion of the management, are within the Arm's Length basis and in the normal course of business, approved by the Audit Committee and Board of Directors of the Company.

The Compliance by the Company with applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same has been subject to review by the statutory financial auditor and other designated professionals.

Minutes of the meetings of the Board and Committees were signed by the Chairperson of the respective meetings, and all the decisions of the Board/Committee were passed unanimously.

With regard to the SFIO matter, the Writ Petitions filed by Satyam Venture Engineering Services Private Limited and its Directors were allowed by the Hon'ble High Court, quashing the criminal complaint No. 262/2017 filed by SFIO before the Nampally Criminal Court, and SFIO challenged this order by filing a Special Leave Petition (SLP) before the Hon'ble Supreme Court. However, the Supreme Court, by order dated 08.07.2024, was not inclined to interfere with the judgment of the High Court and dismissed the SLP at the admission stage.

I further report that based on information received and records maintained, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

I further report that during the audit period, there were no significant events/actions having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, and standards.

Place: Hyderabad
Date: April 17, 2025

Signature:

MOTATI GAYATHRI
FCS No. 13490
CP No. 8947
UDIN:F013490G000141244
Peer Review No:3141/2023

Note: This report is to be read with my letter of the same date, which is annexed as Annexure A and forms an integral part of this report.

“ANNEXURE A”

To,
The Member,
SATYAM VENTURE ENGINEERING SERVICES PRIVATE LIMITED
1-8-301-306, 3rd Floor
Ashoka My Home Chambers
Secunderabad, Telangana- 500003

Our Secretarial Audit Report for the financial year ended March 31, 2025, of even date is to be read along with this letter:

Management’s Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations, and ensure that the systems are adequate and operating effectively.

Auditor’s Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards, and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company’s management are adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management’s representation about the compliance with laws, rules, and regulations, and happening of events, etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.

6. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.

(Motati Gayathri)
Practicing Company Secretary
FCS No: 13490
CP No : 8947
UDIN: F013490G000141244
Peer Review No:3141/2023

ANNEXURE B

NOMINATION AND REMUNERATION COMMITTEE POLICY

1. OBJECTIVE

In compliance with the provisions of Section 178 of Companies Act 2013, following policies are formalized:

1.1 Policy on appointment and removal of Directors, Key Managerial Personnel and Senior Management Personnel;

1.2 Policy on Remuneration to the Directors, Key Managerial Personnel, Senior Management Personnel and other Employees;

1.3 Policy on Evaluation of performance of the Individual Directors.

2. DEFINITIONS

The definitions of some of the key terms used in this Policy are given below.

"Board" means Board of Directors of the Company.

"Company" means Satyam Venture Engineering Services Private Limited.

"Committee(s)" means Committees of the Board for the time being in force.

"Employee" means employee of the Company whether employed in India or outside India.

"HR' means the Human Resource department of the Company.

"Key Managerial Personnel" means KMP defined under section 2(51) of the Companies Act, 2013 i.e. Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Company Secretary (CS).

"Nomination and Remuneration Committee" (NRC) means Nomination and Remuneration Committee of Board of Directors of the Company for the time being in force.

"Senior Management Personnel" means personnel of the company who are members of its core management team comprising of the Head of Departments (HODs) excluding Board of Directors & Key Managerial Personnel (KMP). HODs refers to Heads of Human Resources (HR), Sales & Marketing, Commercial, Corporate Services, Legal, Delivery Heads, ERP & Quality

3. POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTORS, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGEMENT PERSONNEL

3.1 Directors

- The NRC determines the criteria for appointment to the Board and is vested with the authority to identify candidates for appointment to the Board of Directors. In evaluating the suitability of individual Board member, the NRC will take into account multiple factors, including general understanding of the business, education, professional background, personal achievements, professional ethics and integrity
- Based on recommendation of the NRC, the Board will evaluate the candidate(s) and decide on the selection of the appropriate member. Upon receipt of the consent, the new Director will be co-opted by the Board in accordance with the applicable provisions of the Companies Act, 2013 and Rules made there under.

3.2 Key Managerial Personnel (KMP)

- The NRC determines the criteria for appointment of KMP and is vested with the authority to identify candidates for appointment of KMP. In evaluating the suitability of individual KMP, the NRC will take into account multiple factors, including general understanding of the business, education, professional background & experience, personal achievements, professional ethics, integrity and applicable statutory / regulatory requirements.
- Based on recommendation of the NRC, the Board will evaluate the candidate(s) and decide on the selection of the appropriate Personnel.

3.3 Senior Management Personnel

- The CEO determines the criteria for appointment of the Senior Management Personnel supported by HR and is also vested with the authority to appoint Senior Management Personnel. In evaluating the suitability of Senior Management Personnel, the CEO will take into account multiple factors, including general understanding of the business, education, professional background & experience, personal achievements, professional ethics and integrity.

The details of the appointment (s) made and the personnel removed / relieved during a quarter shall be presented to the Board.

3.4 Removal of Board of Directors

If a Director is attracted with any disqualification as mentioned in any of the applicable Act, rules and regulations thereunder or due to non-adherence to the applicable policies of the company, the NRC may recommend to the Board for removal of a Director.

4. REMUNERATION TO DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR MANAGEMENT PERSONNEL

4.1 Directors:

The sitting fee for the Board and Committee meetings will be recommended by NRC to the Board.

The members on the Board, who are employees of the Holding Company, will not be paid any sitting fee for the Board and Committee meetings.

However, if necessary, NRC may recommend to the Board for such payments to any of the Directors.

4.2 Remuneration to Key Managerial Personnel & Senior Management Personnel

4.2 (a) Key Managerial Personnel:

- The initial remuneration of KMP will be approved by the Board of Directors based on the recommendations of NRC. Subsequent revision will be made by NRC.
- Any foreign travels of C.E.O. to be with the consent of Chairman of the Board.

4.2 (b) Senior Management Personnel:

- CEO supported by HR, to review and consider revision of the remuneration of Senior Management Personnel from time to time. The Company follows an extensive Performance Management System to review the performance of the Senior Management Personnel and provide rewards on the basis of meritocracy.
- CEO shall make a presentation to the NRC on the proposed annual increments based on the performance of the Company, general trends in the Industry etc. the annual performance appraisal process of the employees conducted by the HR department. Eligible employees will be rewarded with the annual increment. Before taking the proposal to the NRC, the CEO shall obtain the approval of Chairman of NRC.
- However, if any internal candidate is deputed by Holding Company from their role for any of these positions, the remuneration for such candidate(s) will be fixed by the Holding Company.
- The initial remuneration of HOD HR will be approved by the Board of Directors based on the recommendations of NRC. Subsequent revision will be made by NRC.

4.2 (c) Other Payments:

- CEO is authorized to make payments to KMP's & HOD HR. However the below mentioned policies and annual budget for "incentives, rewards & recognition and business expenses (as mentioned below)" should be approved by the NRC before roll out and implementation.

    1. Incentive Policy
    2. Variable Pay Policy
    3. Rewards and Recognition Policy
    4. Business Expense Policy (travel, lodging, boarding, gifts to customers, business entertainment, mobile phone, transportation conveyance)
    5. Leave Encashment Policy

The internal audit team to verify the pay-outs against these policies and must highlight deviations if any.

5. EVALATION FRAMEWORK

5.1 Performance Evaluation Individual Board members including Independent Directors:

- Evaluation for the Individual Directors, including Independent Directors, will be carried out in the first month of each financial year i.e. April. The process will be initiated each year by the Chairman of NRC assisted by the Company Secretary or any other person authorized by the NRC. Each Board Member will get an evaluation forms as given in **Annexure-I & II** in the first week of April of each year. The members shall complete the form and return it to the Chairman of NRC.

ANNEXURE C

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company.

The CSR vision of the Company is “Community Development through Education”.

The Board of Directors of the Company laid down the CSR Policy, covering the Objectives, Focus Areas, Governance Structure and Monitoring & Reporting Framework among others. Subsequently the CSR Policy as recommended by the CSR Committee was approved by the Board.

The policy is available at https://satyamventure.com/csr/

The Company’s social initiatives are carried out through Tech Mahindra Foundation and Mahindra Educational Institutions, Section 8 (erstwhile Section 25) Companies in the Tech Mahindra group.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended by the Members of the Committee during the year
1	Mr. Jayaraman Ganapathy	Chairman	3	3
2	Mr. Venkatakumar Raju Vadapalli	Director	3	3
3	Mr. Venkateswarlu Jonnalagadda	Independent Director	3	3

3. Web-link where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: https://satyamventure.com/csr/

4. 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, if applicable: Not Applicable

5. 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, if any: Not Applicable

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set off for the financial year, if any (in ₹)
1	2023-24	Nil	Nil
2	2022-23	Nil	Nil
3	2021-22	Nil	Nil
	Total	Nil	Nil

6. Average net profit of the company as per sub-section 5 of Section 135: ₹ 35,47,63,233

7. (a) Two percent of average net profit of the company as per sub-section 5 of Section 135: ₹ 70,95,265

   (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 (a+b+c): ₹ 70,95,265

8.(a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹.)				
	Total Amount transferred to Unspent CSR Account as per sub-section of 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
71,00,000	Nil	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
1	N. A	N. A	N. A	N. A	N. A	N. A	N. A	N. A	N. A	N. A	N. A	N. A
	Total					N. A	N. A					

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Amount spent in the Project (in ₹)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	SMART	(ii)*	Yes	Telangana	Hyderabad	23,08,200	No	Tech Mahindra Foundation	CSR00001814
2	SMART+	(ii)*	Yes	Telangana	Hyderabad	29,02,920	No	Tech Mahindra Foundation	CSR00001814
3	ARISE+	(ii)*	Yes	Telangana	Hyderabad	17,09,508	No	Tech Mahindra Foundation	CSR00001814
4	SMART	(ii)*	Yes	Telangana	Hyderabad	179,372	No	Tech Mahindra Foundation	CSR00001814
	Total					**71,00,000**			

*(ii) promoting education, including special education and employment enhancing vocation skills especially among children,

women, elderly and the differently abled and livelihood enhancement projects.

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the (8b+8c+8d+8e): ₹71,00,000

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
1.	Two percent of average net profit of the Company as per Section 135(5)	70,95,265
2.	Total amount spent for the Financial Year	71,00,000
3.	Excess amount spent for the financial year [(ii)-(i)]	4,735
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	11,094
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	15,829

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. NO	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (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	Date of transfer.	
1	2023-24	Nil	Nil	Nil	Nil	Nil
2	2022-23	Nil	Nil	Nil	Nil	Nil
3	2021-22	Nil	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	Project ID.	Name of the Project.	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing.
1.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(asset-wise details).

(a)	Date of creation or acquisition of the capital asset(s).	Not Applicable
(b)	Amount of CSR spent for creation or acquisition of capital	Not Applicable
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	Not Applicable

11. Specify the reason(s), if the Company has failed to spend two of the average net profit as per Section 135(5) — Not Applicable

Place: Hyderabad
Date: April 18, 2025

For and on behalf of the Board of Directors

Narasimham Venkata Rachakonda
Chairman
DIN: 00339167

ANNEXURE D

FORM AOC 2

(Pursuant to clause (h) of sub-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 arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2025, which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis are as follows:

(a) Name(s) of the related party and nature of relationship

Holding Company - Tech Mahindra Limited

Subsidiaries of Holding Company–

- Tech Mahindra GmbH
- Tech Mahindra Foundation
- Mahindra Last Mile Mobility Limited

Subsidiaries-

- Satyam Venture Engineering Services (Shanghai) Co. Ltd, China
- Satven GmbH, Germany
- Satyam Venture Japan KK

Directors' Sitting Fees-

- Jayaraman Ganapathy
- Venkatakumar Raju Vadapalli
- Venkateswarlu Jonnalagadda
- Subramanyam Reddy Chelikam

Key Managerial Personnel-

- Rao S. Vadlamudi, Chief Executive Officer
- Srinivas Ramancherla, Chief Financial Officer
- Aradhana Rewatkar, Company Secretary – up to August 04, 2024

(b) Nature of contracts/arrangements/transactions: Providing IT enabled Engineering Services & contribution towards CSR

(c) Duration of the contracts / arrangements/transactions: Varies from 1 to 3 years and arrangement is through Master Service Agreements and Purchase orders.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

Description	Transactions during the year ended March 31, 2025 (INR in MN)					Transactions during the year ended March 31, 2024 (INR in MN)				
	Holding Company	Subsidiaries Company	Ultimate Holding Company	Subsidiaries of Holding Company	Key Management Personnel	Holding Company	Subsidiaries Company	Ultimate Holding Company	Subsidiaries of Holding Company	Key Management Personnel
Sales / Services rendered to	572.99	97.84	44.27	23.56	-	529.80	50.89	37.32	51.53	-
Dividend received	-	24.67	-	-	-	-	-	-	-	-
Directors' Sitting Fees					0.86					0.83
Remuneration	-	-	-	-	16.82	-	-	-	-	19.92
Stock options perquisite	-	-	-	-	-	-	-	-	-	-
Staff Loan/Salary Advance paid during the period				-	2.81					0.49
Advances from /(to)	-	0.53	-	-	-	-	0.03	-	-	-
Services received / Purchases #	-	-	-	-	-	12.96	-	-	-	-
Investment bought back		-					(17.66)			
CSR Expenses	-	-	-	7.10	-	-	-	-	5.46	-

(e) Date(s) of approval/discussion by the Board, if any: April 19, 2024, July 19, 2024, October 16, 2024, January 12, 2025

(f) Amount paid as advances, if any: NA

Reimbursement of Salary Cost & Other Expenditure

Place: Hyderabad
Date: April 18, 2025

For and on behalf of the Board of Directors

Narasimham Venkata Rachakonda
Chairman
DIN: 00339167

ANNEXURE E

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

1. Sl. No. **1**
2. Name of the subsidiary: Satven GmbH
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: Same as Holding Company
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries. EURO (92.336)
5. Share capital: ₹ 3,92,42,800
6. Reserves & surplus: ₹ 5,67,139
7. Total assets: ₹ 4,81,58,471
8. Total Liabilities: ₹ 83,48,532
9. Investments: NIL
10. Turnover: ₹ 2,95,84,568
11. Profit before taxation: ₹ 7,21,451
12. Provision for taxation: ₹ 1,49,858
13. Profit after taxation: ₹ 5,71,593
14. Proposed Dividend: ₹ 2,12,78,871
15. % of shareholding: 100%

1. Sl. No. 2
2. Name of the subsidiary: Satyam-Venture Engineering Services (Shanghai) Co. Limited
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: Same as Holding company
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries. CNY (11.7663)
5. Share capital: ₹ 3,05,49,411
6. Reserves & surplus: ₹ 3,12,58,537
7. Total assets: ₹ 8,67,73,064
8. Total Liabilities: ₹ 2,49,65,116
9. Investments: NIL
10. Turnover: ₹ 13,41,56,949
11. Interest & Other Income: ₹ 52,76,979
12. Profit before taxation: ₹ 75,77,153
13. Provision for taxation: (11,13,959)
14. Profit after taxation: ₹ 86,91,112
15. Proposed Dividend: NIL
16. % of shareholding: 100%

1. Sl. No. 3
2. Name of the subsidiary: Satyam Venture Japan KK
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: Same as Holding company
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries. JPY (0.5676)
5. Share capital: ₹ 4,76,78,400
6. Reserves & surplus: ₹ (12,253)
7. Total assets: ₹ 7,00,04,866
8. Total Liabilities: ₹ 2,23,38,719
9. Investments: NIL
10. Turnover: ₹ 9,34,84,296
11. Interest & Other Income: ₹ 4,092
12. Profit before taxation: ₹ (11,979)
13. Provision for taxation: NIL
14. Profit after taxation: ₹ (11,979)
15. Proposed Dividend: NIL
16. % of shareholding: 100%

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures - NOT APPLICABLE

Name of Associates/Joint Ventures	**Name 1**	**Name 2**	**Name 3**
1. Latest audited Balance Sheet Date			
2. Shares of Associate/Joint Ventures held by the company on the year end			
No. of shares			
Amount of Investment in Associates/Joint Venture			
Extend of Holding %			
3. Description of how there is significant influence			
4. Reason why the associate/joint venture is not consolidated			
6. Networth attributable to Shareholding as per latest audited Balance Sheet			
7. Profit / Loss for the year			
i. Considered in Consolidation			
i. Not Considered in Consolidation			

1. Names of associates or joint ventures which are yet to commence operations. NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year. NIL

Place: Hyderabad
Date: April 18, 2025

For and on behalf of the Board of Directors

Narasimham Venkata Rachakonda
Chairman
DIN: 00339167

ANNEXURE F

DIRECTORS' RESPONSIBILITY STATEMENT

To the Members,

We, the Directors of Satyam Venture Engineering Services Private Limited, confirm the following:

i. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii. That 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 loss of the Company for that period;

iii. That 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. That the directors have prepared the annual accounts on a going concern basis;

v. the company have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Place: Hyderabad
Date: April 18, 2025

For and on behalf of the Board of Directors

Narasimham Venkata Rachakonda
Chairman
DIN: 00339167

INDEPENDENT AUDITOR'S REPORT

To the Members of
Satyam Venture Engineering Services Private Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Satyam Venture Engineering Services Private Limited** ("the Company"), which comprise the Standalone Balance Sheet as at 31 March 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year ended on that date, and notes to the standalone financial statements, including a summary of the material accounting policies and other explanatory information (here after 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 31 March 2025, its profit and total comprehensive income, the 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 (SAs) 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 issued 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 opinion.

Emphasis of Matter

We draw attention to the following notes in the standalone financial statements:

a) Note 30.2 regarding reckoning of ₹ 38,974.50 Lakhs (31 March 24: ₹ 35,354.40 Lakhs) as contingent liability, towards any possible charge that may arise in respect of ongoing dispute between the promoters, for the period from 01 April 2012 to 31 March 2025 based on legal advice and for reasons stated in the said note notwithstanding the status of litigation between the promoters on various issues relating to the Shareholders Agreement, the outcome of which is not determinable at this stage.

b) Note 31 regarding drawing up of accounts for the year incorporating opening balances based on the financial statements of earlier years which have not been adopted by the shareholders.

Our opinion is not modified in respect of these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Directors Report 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.

Management's Responsibility 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 accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Rules issued thereunder. 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 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 are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are 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 standalone 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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.

- 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 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.

- 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 upto 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 standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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 Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. A. 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 purpose 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 Loss, the Statement of Changes in Equity and the Statement of Cash Flows 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 Indian Accounting Standards specified under Section 133 of the Act, read with the rules issued thereunder;

   e. the matter relating to contingent liability described in paragraph (a) under the Emphasis of Matters above, in our opinion, may have an adverse effect on the functioning of the Company;

   f. on the basis of written representations received from the directors as on 31 March 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025, from being appointed as a director in terms of Section 164 (2) of the Act;

   g. 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'; and

   B. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 has disclosed the impact of all pending litigations on its financial position in its standalone financial statements - Refer note 30 to the standalone financial statements;

      ii. the Company does not have any material foreseeable losses relating to long term contracts including derivate contracts as on 31 March 2025. No provision is made in respect of the contingent liability described under note 30.2 since the matters involving these litigations are sub-judice at present, the impact of these pending litigations on its financial position could not be stated in the standalone financial statements;

      iii. there are no amounts which were required to be transferred to the Investor Education and Protection Fund during the year ended 31 March 2025.

      iv. (i) 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;

         (ii) 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 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

         (iii) Based on audit procedures 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 (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material mis-statement.

v. The Company has not declared or paid any dividend during the year.

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. Additionally, the audit trial has been preserved by the Company as per the statutory requirements for record retention.

C. 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 provisions of Section 197 of the Act and the rules made thereunder are not applicable to the Company.

for **M. Bhaskara Rao & Co.,**
Chartered Accountants
Firm's Registration No.000459S

P. Swathi
Partner
Membership No. 513946
UDIN: 25513946BMNPYT4771

Hyderabad, 18 April 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Satyam Venture Engineering Services Private Limited)

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) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment have been physically verified during the year by the Management in accordance with a programme of verification, which, in our opinion, provides for physical verification of all the Property, Plant and Equipment at reasonable intervals having regard to the size of the Company and the nature of assets, the discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.

(c) The Company does not have any immovable properties and accordingly, paragraph 3(i)(c) of the Order is not applicable.

(d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year and accordingly, paragraph 3(i)(d) of the Order is not applicable.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company does not have any inventory and accordingly, paragraph 3(ii)(a) of the Order is not applicable.

(b) The Company has not been sanctioned working capital limits in excess of ₹5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and accordingly, paragraph 3(ii)(b) of the Order is not applicable.

(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 loans or 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 made investments in companies, in respect of which the requisite information is as below. The Company has not made any investments in firms, limited liability partnership or any other parties.

(a) The Company has not granted any loans during the year.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made are not prejudicial to the interests of the Company.

(iv) The Company has complied with the provisions of section 185 and 186 of the Act, in respect of investments made as applicable. The Company has not granted any loans or provided guarantees and securities.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits to which the directions issued by the Reserve Bank of India and provisions of Section 73 to Section 76 or any other relevant provision of the Act and the Rules made there under, where applicable. Further no Order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal and accordingly paragraph 3(v) of the Order is not applicable, at present.

(vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Act, for the business activities carried out by the Company.

(vii) In respect of statutory dues:

(a) In our opinion, the Company has been regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and any other material statutory dues applicable to it with the appropriate authorities during the year;

There were no undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, customs duty, excise duty, value added tax and cess which were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable; and

(b) Details of dues of income tax, provident fund and service tax which have not been deposited as on 31 March 2025 on account of disputes are given below:

Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (Rupees in Lakhs)
Income Tax Act 1961	Income Tax	CIT (Appeals)	AY 2014-15, 2016-17, and 2017-18	688.99
Finance Act, 1994	Service tax and penalty	CESTAT	2007-08 to 2016-17	888.95
Employees Provident Fund & Miscellaneous Provisions Act,1952	Provident Fund	Central Government Industrial Tribunal Cum Labour Court	2014-15 and 2015-16	125.96

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) The Company did not avail or raise any loans or other borrowings from any lender; accordingly, paragraph 3(ix) of the Order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible), and accordingly, paragraph 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and other records of the Company carried out in accordance with the generally accepted auditing practices in India, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management. Accordingly, paragraph 3(xi)(a) of the Order is not applicable.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

(xii) The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) The Company has not entered into non-cash transactions with directors or persons connected with them and hence provisions of Section 192 of the Act, are not applicable.

(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.

(b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities.

(c) In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has Nil CIC as part of the Group.

(xvii) The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year, accordingly paragraph 3(xviii) of the Order is not applicable.

(xix) 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, the our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is 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 form the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no unspent amount in respect of ongoing projects, under sub-section (5) of section 135 of the Companies Act. Accordingly, paragraph 3(xx)(b) is not applicable.

(xxi) The Company does not have subsidiaries incorporated in India to which reporting under Companies (Auditor's Report) Order is applicable, accordingly, paragraph 3(xxi) is not applicable.

for **M. Bhaskara Rao & Co.,**
Chartered Accountants
Firm's Registration No.000459S

P. Swathi
Partner
Membership No. 513946
UDIN: 25513946BMNPYT4771

Hyderabad, 18 April 2025

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Satyam Venture Engineering Services Private Limited)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of **Satyam Venture Engineering Services Private Limited** ("the Company") as of 31 March 2025, in conjunction with our audit of the standalone 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Standalone Financial Statements 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 ICAI 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 with reference to Standalone Financial Statements. 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 with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, 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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements 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 explanation given to us, the Company has in all material aspects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as on 31 March 2025, based on the criteria for internal control with reference to Standalone Financial Statements established by the Company considering the essential components of internal control stated in Guidance Note of Internal Financial Controls Over Financial Reporting issued by ICAI.

for **M. Bhaskara Rao & Co.,**
Chartered Accountants
Firm's Registration No.000459S

P. Swathi
Partner
Membership No. 513946
UDIN: 25513946BMNPYT4771

Hyderabad, 18 April 2025

STANDALONE BALANCE SHEET AS AT 31 MARCH 2025

All amounts are Rupees in lakhs unless otherwise stated

Particulars	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	4	**429.91**	357.11
(b) Right of Use Assets	5	**598.09**	937.51
(c) Other intangible assets	6	**539.04**	97.83
(d) Financial assets			
(i) Investments	7	**1,052.04**	591.80
(ii) Other financial assets	8	**414.89**	2,770.72
(e) Deferred tax assets (net)	9	**-**	107.68
(f) Non-current tax assets (net)	10	**4,304.74**	4,702.59
Total Non-Current Assets		**7,338.71**	9,565.24
Current Assets			
(a) Financial assets			
(i) Investments	7	**20,925.80**	15,021.79
(ii) Trade receivables	11	**7,371.24**	7,017.67
(iii) Cash and cash equivalents	12	**2,630.17**	5,670.96
(iv) Other bank balances	13	**9,798.66**	10,569.96
(v) Other financial assets	8	**8,182.37**	3,971.83
(b) Other current assets	14	**2,554.41**	2,211.61
Total Current Assets		**51,462.65**	44,463.82
Total Assets		**58,801.36**	54,029.06
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	**708.90**	708.90
(b) Other equity	16	**48,168.97**	41,845.85
Total Equity		**48,877.87**	42,554.75
LIABILITIES			
Non-Current Liabilities			
(a) Provisions	17	**1,282.31**	1,430.61
(b) Financial Liabilities			
(i) Lease Liabilities	18	**290.97**	603.54
(ii) Other financial liabilities	19	**8.25**	0.89
(c) Deferred tax liabilities (net)	9	**253.17**	-
Total Non-Current Liabilities		**1,834.70**	2,035.04

STANDALONE BALANCE SHEET AS AT 31 MARCH 2025

All amounts are Rupees in lakhs unless otherwise stated

Particulars	Note	As at 31 March 2025	As at 31 March 2024
Current Liabilities			
(a) Financial liabilities			
(i) Trade payables	20		
(A) Total outstanding dues of micro enterprises and small enterprises; and		**2.95**	11.97
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		**608.22**	875.01
(ii) Lease Liabilities	18	**377.97**	372.40
(iii) Other financial liabilities	19	**583.18**	626.72
(b) Other current liabilities	21	**562.25**	770.28
(c) Provisions	17	**5,586.23**	5,609.52
(d) Current tax liabilities (Net)	22	**367.99**	1,173.37
Total Current Liabilities		**8,088.79**	9,439.27
Total Equity and Liabilities	1	**58,801.36**	54,029.06
Corporate information	2		
Material accounting policies			
See accompanying notes forming part of the standalone financial statements	3 to 43		

In terms of our report attached

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

for and on behalf of the Board of

Satyam Venture Engineering Services Private Limited
CIN: U72200TG2000PTC033213

P Swathi
Partner
Membership No.513946

R. V. Narasimham
Chairman
DIN: 00339167

J. Venkateswarlu
Director
DIN: 00051001

Rao. S. Vadlamudi
CEO

Srinivas R
CFO

Hyderabad, 18 April 2025

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025

All amounts are Rupees in lakhs unless otherwise stated

Particulars	Note	Year ended 31 March 2025	Year ended 31 March 2024
Income			
Income from operations	23	**37628.08**	37379.71
Other income	24	**2654.53**	2521.34
Total Income		**40282.61**	39901.05
Expenses			
Employee benefits expense	25	**27319.20**	26911.29
Sub contracting costs		**364.79**	495.23
Finance costs	26	**87.96**	428.79
Depreciation and amortisation expense	27	**802.32**	853.04
Other expenses	28	**4629.12**	4744.97
Total Expenses		**33203.39**	33433.32
Profit before tax		**7079.22**	6467.73
Tax Expense	29		
Current tax		**1500.70**	1614.74
Earlier years tax		**(866.26)**	(590.58)
Deferred tax		**300.65**	186.57
Total tax expense		**935.09**	1210.73
Profit for the period		**6144.13**	5257.00
Other comprehensive income / (loss)			
A. Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		**246.27**	(50.99)
Income tax on above items	29	**(61.98)**	12.83
		184.29	(38.16)
B. Items that may be reclassified to profit or loss			
Effective portion of gain / (loss) on Designated Portion of Hedging Instruments in a Cash Flow Hedge (net)		**(7.08)**	32.33

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025

All amounts are Rupees in lakhs unless otherwise stated

Particulars	Note	Year ended 31 March 2025	Year ended 31 March 2024
Income tax on above items	29	**1.78**	(8.14)
		(5.30)	24.19
Other comprehensive income / (loss) for the period		**178.99**	(13.97)
Total comprehensive income for the period		**6323.12**	5243.03
Earnings per equity share	40		
Basic and Diluted - (In ₹ per share)		**86.67**	74.16
Corporate information	1		
Material accounting policies	2		
See accompanying notes forming part of the standalone financial statements	3 to 43		

In terms of our report attached
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Director
DIN: 00051001

Rao. S. Vadlamudi
CEO

Srinivas R
CFO

Hyderabad, 18 April 2025

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

All amounts are Rupees in lakhs unless otherwise stated

		Year Ended 31 March 2025	Year Ended 31 March 2024
A.	**Cash flow from operating activities**		
	Profit for the period	**7,079.22**	6,467.73
	Adjustments for		
	Interest income recognised in profit or loss	**(1,074.88)**	(840.71)
	Interest on Security Deposit recognised in Profit or loss	**(16.08)**	(14.03)
	Dividend Income	**(246.71)**	-
	Interest on Lease Liability	**87.96**	120.53
	Loss / (Profit) on sale of fixed assets	**(2.86)**	(6.84)
	Depreciation and amortisation of non-current assets	**802.32**	853.04
	Net foreign exchange (gain) / loss	**(1.12)**	(41.26)
	Net (Gain) / Loss on sale of investments	**(12.94)**	-
	Provision for doubtful receivables	**-**	46.62
	Fair value measurements	**(1,207.07)**	(1,002.26)
	Operating profit / (loss) before working capital changes	**5,407.84**	5,582.82
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	Trade Receivables	**(353.57)**	429.74
	Other Non Current Financial Assets	**(0.26)**	(3.11)
	Other Current Financial Assets	**(1,804.25)**	(436.41)
	Other Current Assets	**(342.80)**	(717.97)
	Adjustments for increase / (decrease) in operating liabilities:		
	Non-Current Provisions	**(148.30)**	146.09
	Trade Payables	**(274.51)**	208.46
	Current Provisions	**222.98**	(22.89)
	Other Financial Liabilities	**(38.14)**	49.12
	Other Current Liabilities	**(208.03)**	274.49
	Cash generated from operations	**2,460.96**	5,510.34
	Income Tax paid (Net)	**(1,041.97)**	551.80
	Net cash flow from operating activities (A)	**1,418.99**	6,062.14
B.	**Cash flow from investing activities**		
	Payments for property, plant and equipment (including Capital Work in Progress)	**(901.24)**	(245.76)
	Proceeds from disposal of property, plant and equipment	**1.00**	14.77
	Investments (made in)/bought back from subsidiary	**(460.24)**	176.57
	Bank balances (Deposits) not considered as cash and cash equivalents		
	- Placed	**(10,281.99)**	(9,275.37)
	- Matured	**10,983.81**	7,149.89
	Current Investments		
	- Purchased	**(6,899.65)**	(1,849.91)
	- Proceeds from sale / redemption	**2,215.67**	-
	Interest received	**1,105.13**	626.65
	Net cash flow used in investing activities (B)	**(3,990.79)**	(3,403.16)
C.	**Cash flow from financing activities**		
	Repayment of Lease Liabilities (net)	**(470.11)**	(431.66)
	Net cash flow from / (used in) financing activities (C)	**(470.11)**	(431.66)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(3,041.91)**	2,227.32

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

All amounts are Rupees in lakhs unless otherwise stated

	Year Ended 31 March 2025	Year Ended 31 March 2024
Cash and cash equivalents at the beginning of the period	**5,670.96**	3,402.38
Effect of exchange difference on cash and cash equivalents held in foreign currency	**1.12**	41.26
Cash and cash equivalents at the end of the year (Refer Note 12)	**2,630.17**	5,670.96

Corporate information

Material accounting policies

See accompanying notes forming part of the standalone financial statements

Corporate information	1
Material accounting policies	2

See accompanying notes forming part of the standalone financial statements 3 to 43

In terms of our report attached

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

for and on behalf of the Board of

Satyam Venture Engineering Services Private Limited
CIN: U72200TG2000PTC033213

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Partner
Membership No.513946

R. V. Narasimham
Chairman
DIN: 00339167

J. Venkateswarlu
Director
DIN: 00051001

Rao. S. Vadlamudi
CEO

Srinivas R
CFO

Hyderabad, 18 April 2025

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

All amounts are Rupees in lakhs unless otherwise stated

A. Equity Share Capital

	As at 31 March 2025	As at 31 March 2024
Issued and paid up equity share capital		
Balance at the beginning of the current reporting period	**708.90**	708.90
Changes in Equity Share Capital due to prior period errors	**-**	-
Restated balance at the beginning of the current reporting period	**708.90**	708.90
Changes in equity share capital during the current period	**-**	-
Balance at the end of the current reporting period	**708.90**	708.90

B. Other Equity

Particulars	Reserves & Surplus		Items of other comprehensive ncome / (loss)		Total
	General Reserve	Retained Earnings	Remeasurement of defined benefit plan	Cash Flow Hedge Reserve	
Balance as at 31 March 2023	12.50	36,183.59	406.29	0.44	36,602.82
Profit for the year	-	5,257.00	-		5,257.00
Other Comprehensive Income (net of tax)	-	-	(38.16)	24.19	(13.97)
Total comprehensive income for the year	-	5,257.00	(38.16)	24.19	5,243.03
Balance as at 31 March 2024	12.50	41,440.59	368.13	24.63	41,845.85
Profit for the period	-	6,144.13	-		6,144.13
Other Comprehensive Income (net of tax)	-	-	184.29	(5.30)	178.99
Total comprehensive income for the year	-	6,144.13	184.29	(5.30)	6,323.12
Balance as at 31 March 2025	12.50	47,584.72	552.42	19.33	48,168.97

Corporate information	1
Material accounting policies	2
See accompanying notes forming part of the standalone financial statements	3 to 43

In terms of our report attached
for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

for and on behalf of the Board of
Satyam Venture Engineering Services Private Limited
CIN: U72200TG2000PTC033213

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Director
DIN: 00051001

Rao. S. Vadlamudi
CEO

Srinivas R
CFO

Hyderabad, 18 April 2025

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

All amounts are Rupees in lakhs unless otherwise stated

1. Corporate Information

Satyam Venture Engineering Services Private Limited ("the Company") was incorporated in March 2000 as a 50:50 joint venture between erstwhile Satyam Computer Services Limited (SCSL) and Venture Global Engineering LLC. SCSL was merged with Tech Mahindra Limited in the year 2013, consequent to a scheme of amalgamation and arrangement as approved by the then Hon'ble High Court of Judicature Andhra Pradesh and Hon'ble High Court of Bombay.

The Company provides engineering services such as product design, tool design and computer aided engineering simulation services to automotive industry across the globe, through its Indian operations and through its foreign branches in USA, Germany, Canada, United Kingdom, Japan and Mexico. The standalone financial statements reflect the results of its operations carried on by Indian operations and overseas branches.

The Company is a private limited incorporated and domiciled in India. The address of the registered office is 1-8-301-306, Ashoka My Home Chambers, 3rd Floor, S P Road, Secunderabad - 500003, Telangana State, India.

The standalone financial statements for the year ended 31 March 2025 were approved by the Board of Directors and authorised to issue on 18 April, 2025.

2. Material accounting policies:

2.1 Statement of Compliance:

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and amendments issued thereafter.

2.2 Basis for preparation of financial statements:

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards are presented in Indian Rupees ("INR") which is also the company's functional currency. All the amounts have been reported in Indian Rupees lakhs, except for share and earnings per share data, unless otherwise stated. These standalone financial statements have been prepared on accrual basis under the historical cost convention, except for certain financial instruments which are measured at fair value at the end of each reporting period. The accounting policies adopted in the preparation of the standalone financial statements are consistent with those followed in the previous year.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The statement of cash flows has been prepared under indirect method whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future opening cash receipt or payments and items of income or expense assoicated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated. The company considers all highly liquid investments that are readily convertable to known amounts of cash to be cash equivalents.

2.3 Basis for accounting:

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company's normal operating cycle is twelve months.

Current/ non-current classification:

The Company classifies an asset as current asset when:

1. it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
2. it holds the asset primarily for the purpose of trading;
3. it expects to realise the asset within twelve months after the reporting period; or

4. the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

   All other assets are classified as non-current.

   A liability is classified as current when –

   1. it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

   2. it holds the liability primarily for the purpose of trading;

   3. the liability is due to be settled within twelve months after the reporting period; or

   4. it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

      All other liabilities are classified as non-current.

      In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purpose in these standalone financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36.

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

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

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

      Level 3 inputs are unobservable inputs for the asset or liability.

2.4 Use of Estimates:

The preparation of these standalone financial statements requires the management of the Company to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the standalone financial statements, and the reported amounts of income and expenses during the reported period. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the financial statements.

2.5 Property, Plant & Equipment and Other Intangible assets:

Property, Plant & Equipment and Other intangible assets are stated at actual cost less accumulated depreciation/ amortisation and net of impairment. The actual cost capitalised includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction / installation stage.

Depreciation / amortization of Property, Plant & Equipment and Other Intangible assets:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation / amortisation on Property, Plant & Equipment and other intangible assets including assets taken on lease, other than freehold land is charged based on straight line method on an estimated useful life as assessed based on technical advice, considering the nature of the asset, estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Plant and Machinery (including Computers)	3 years
Office Equipment	3 years
Furniture Fixtures and Interiors	3 years
Vehicles	3 years
Intangible Assets - Software	License period or 3 years whichever is lower

The estimated useful lives and residual values of the Property, Plant & Equipment and other intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment and other intangible asset is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arriving on the disposal or retirement of an item of PPE or other intangible asset is determined as the difference between sale proceeds and the carrying amount of the asset and is recognized in the standalone statement of profit or loss.

2.6 Leases:

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company as a lessee :

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves:

(a) the use of an identified asset,

(b) the right to obtain substantially all the economic benefits from use of the identified asset, and

(c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right- of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The Company applies Ind AS 36 to determine whether a RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in standalone statement of profit and loss.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

2.7 Impairment of Assets:

i) Financial assets

The company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Impairment loss on financial assets carried at amortised cost is measured at 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. In a subsequent period, if the amount of impairment loss decreases and the decreases can be related objectively to an event, the previously recognised impairment is reversed through standalone statement of profit or loss.

ii) Non-financial assets

Property, Plant & Equipment and Other Intangible assets

Property, Plant and Equipment and Other intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the standalone statement of profit or loss.

2.8 Revenue recognition:

Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Arrangements with customers for services are either on a time bound fixed price or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

In arrangements for engineering services with customers, the company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering engineering services and other related services as distinct performance obligations. For allocating the transaction price, the company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the company is unable to determine the standalone selling price, the company uses the expected cost plus margin approach in estimating the standalone selling price. For time and material related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

The company accounts for volume discounts and pricing incentives , if any, to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives amount to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Deferred contract costs are incremental costs of obtaining a contract which are recognized as assets and amortized over the term of the contract.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company presents revenues net of indirect taxes in its standalone statement of Profit and loss.

The company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue for time and material contracts are recognized as related service are performed. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time .

Revenue recognition for fixed price development contracts is based on percentage of completion method. Invoicing to the clients is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed price development contracts is classified as non financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

Invoicing in excess of earnings are classified as unearned revenue.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

2.9 Foreign currency transactions:

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities of foreign operations are restated into the functional currency using exchange rates prevailing on the date of the Balance Sheet. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognised in the standalone statement of profit or loss.

2.10 Financial Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in the standalone statement profit or loss.

i) Non-derivative financial instruments

Cash and cash equivalents

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

Financial assets at amortised cost

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

Financial assets at fair value

Financial asset not measured at amortised cost are carried at fair value through profit or loss (FVTPL) on initial recognition, unless the company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income.

The Company, on initial application of IND AS 109 *Financial Instruments*, has made an irrevocable election to present in other comprehensive income subsequent changes in fair value of equity instruments not held for trading.

Financial asset at FVTPL are measured at fair values at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

Investment in subsidiaries

Investment in subsidiaries is carried at cost as per Ind AS 27 in Separate Financial Statements.

Financial liabilities

Financial liabilities at fair value through profit and loss are stated at fair value, with any gains or losses arising on remeasurement recognised in the standalone statement of profit and loss.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ii) Derivative financial instruments and hedge accounting

The Company uses foreign currency forward contracts / options to hedge its risks associated with foreign currency fluctuations relating to certain forecasted transactions. The Company designates some of these forward contracts / options as hedge instruments and account for as cash flow hedges applying the recognition and measurement principles set out in the Ind AS 109.

The use of foreign currency forward contracts / options is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the Company's risk management strategy. The counter party to the Company's foreign currency forward contracts is generally a bank. The Company does not use derivative financial instruments for speculative purposes.

Foreign currency forward contract/ option derivative instruments are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in other comprehensive income and accumulated under effective portion of cash flow hedges and the ineffective portion is recognised immediately in the standalone statement of Profit and Loss.

Amounts previously recognised in other comprehensive income and accumulated in effective portion of cash flow hedges are reclassified to the standalone statement of Profit or Loss in the same period in which gains/ losses on the item hedged are recognised in the standalone statement of Profit or Loss. However when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in effective portion of cash flow hedges are transferred from effective portion of cash flow hedges and included in the initial measurement of the cost of the nonfinancial asset or non-financial liability.

Profit or loss arising on cancellation or renewal of a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal occurs. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the Statement of Profit and Loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on the hedging instrument classified in effective portion of cash flow hedges is retained there and is classified to Statement of Profit and Loss when the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in effective portion of cash flow hedges is transferred to the the standalone statement of Profit and Loss for the period.

iii) Derecognition of financial instruments

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. The Company derecognises financial liabilities when, and only when, the Company's obligation are discharged, cancelled or have expired.

2.11 Employee Benefits:

a) Gratuity:

The Company 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 recognised in full in other comprehensive income and accumulated in equity in the period in which they occur.

b) Provident fund:

The eligible employees of the Company are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary which are charged to the standalone statement of Profit and Loss on accrual basis. The provident fund contributions are paid to the Regional Provident Fund Commissioner by the Company. The Company has no further obligations for future provident fund and superannuation fund benefits other than its annual contributions.

c) Compensated absences:

The Company provides for the encashment of leave subject to Company's rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is provided based on the number of days of unavailed leave at each Balance Sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method for the Company, whereas provision for encashment of unavailed leave on retirement is made on actual basis for foreign subsidiaries. The Company does not expect the difference on account of varying methods to be material.

The liability which is not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised based on actuarial valuation as at the Balance Sheet date.

Actuarial gains and losses are recognised in full in the standalone statement of Profit and Loss in the period in which they occur.

The Company also offers a short term benefit in the form of encashment of unavailed accumulated compensated absence above certain limit for all of its employees and same is being provided for in the books at actual cost.

d) Other short term employee benefits:

Other short-term employee benefits such as overseas social security contributions and performance incentives expected to be paid in exchange for the services rendered by employees, are recognised in the standalone statement of Profit or Loss during the period when the employee renders the service.

2.12 Taxation:

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the respective countries.

The current income tax expense includes taxes payable by the company and its branches in India and overseas. The current tax payable by the company in India income tax payable on worldwide income. Current income tax payable by overseas branches of the company is computed in accordance with the tax laws applicable in the jurisdiction in which the respective branch operates. The proportionate credit for the taxes paid outside India are generally available for set off against the Indian income tax liabilities of the company's worldwide income.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

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

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

The Company recognises interest levied and penalties related to income tax assessments in income tax expenses.

2.13 Earnings per Share:

Basic earnings/ (loss) per share are calculated by dividing the net profit / (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued if any, during the year and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings / (loss) per share, the net profit / (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.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed to be converted as of the beginning of the period, unless issued at a later date.

2.14 Provision, Contingent Liabilities and Contingent Assets:

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. 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. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities and Contingent Assets are not recognized in the standalone financial statements.

2.15 Critical judgements in applying accounting policies:

The following are the critical judgements, apart from those involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statement.

Key sources of estimation uncertainty:

The following are the key assumptions concerning the future , and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives of property, plant and equipment:

The company reviews the estimated useful lives of property plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.

Fair value measurements and valuation processes:

Some of the Company's assets and liabilities are measured at fair value for the financial reporting purposes.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1inputs are not available, the Company engages third party qualified valuers to perform the valuation . Finance team works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Executive Officer reports to the board of fluctuations in the fair value of the assets and liabilities.

Provision for doubtful receivables:

The Company has adopted Expected credit loss model for provisioning of receivables, apart from this the company also monitors long outstanding balances and make additional provision where required.

Provision for employee benefits:

The Company uses actuarial assumptions to determine the obligations for employee benefits at each reporting period . These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.

Provision for taxes:

Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/ recovered for uncertain tax positions.

3. Recent accounting pronouncements

There are no recent accounting Pronouncements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

All amounts are Rupees in lakhs unless otherwise stated

		As at 31 March 2025	As at 31 March 2024
4.	**Property, Plant and Equipment**		
	Carrying amounts of		
	Plant and Equipment (Refer note: 4A)	**271.03**	336.25
	Office Equipment (Refer note: 4A)	**121.05**	17.48
	Furniture & Interiors (Refer note: 4A)	**37.83**	3.38
	Total	**429.91**	357.11

		As at 31 March 2025	As at 31 March 2024
5.	**Right of Use Assets**		
	Carrying amounts of:		
	Office Premises (Refer note: 5A)	**598.09**	937.51
	Total	**598.09**	937.51

		As at 31 March 2025	As at 31 March 2024
6.	**Other Intangible assets**		
	Carrying amounts of:		
	Computer Software (Refer note: 6A)	**539.04**	97.83
	(other than internally generated)		
	Total	**539.04**	97.83

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

All amounts are Rupees in lakhs unless otherwise stated

4A Property, Plant and Equipment

	Gross Block (At Cost)				Accumalated Depreciation				Net Block
	As at 1 April 2024	Additions	Deletion / Adjustment	Balance as at 31 March 2025	Upto 01 April 2024	For the period	Deletion / Adjustment	Upto 31 March 2025	As at 31 March 2025
Plant and Machinery	2,858.52	149.29	185.34	**2,822.47**	2,522.27	215.90	186.73	**2,551.44**	**271.03**
Office Equipment	438.73	139.25	22.64	**555.34**	421.25	36.15	23.11	**434.29**	**121.05**
Furniture & Interiors	359.49	50.19	1.60	**408.08**	356.11	15.74	1.60	**370.25**	**37.83**
Vehicles	52.51	-	18.80	**33.71**	52.51	-	18.80	**33.71**	**-**
Total	**3,709.25**	**338.73**	**228.37**	**3,819.60**	**3,352.14**	**267.78**	**230.23**	**3,389.69**	**429.91**

	Gross Block (At Cost)				Accumalated Depreciation				Net Block
	As at 1 April 2023	Additions	Deletion / Adjustment	Balance as at 31 March 2023	Upto 01 April 2023	For the year	Deletion / Adjustment	Upto 31 March 2024	As at 31 March 2024
Plant and Machinery	3,008.89	177.16	327.53	2,858.52	2,567.70	287.10	332.53	2,522.27	336.25
Office Equipment	446.00	9.10	16.37	438.73	426.18	4.30	9.23	421.25	17.48
Furniture & Interiors	366.62	7.05	14.18	359.49	363.55	1.66	9.10	356.11	3.38
Vehicles	52.51	-		52.51	52.51	-		52.51	-
Total	**3,874.02**	**193.31**	**358.08**	**3,709.25**	**3,409.94**	**293.06**	**350.86**	**3,352.14**	**357.11**

5A Right of Use Assets

	Gross Block (At Cost)				Accumalated Depreciation				Net Block
	As at 1 April 2024	Additions	Deletion / Adjustment	Balance as at 31 March 2025	Upto 01 April 2024	For the period	Deletion / Adjustment	Upto 31 March 2025	As at 31 March 2025
Office Premises	1,341.41	73.89	1.20	1,414.10	403.90	413.24	1.1	816.01	598.09
Total	**1,341.41**	**73.89**	**1.20**	**1,414.10**	**403.90**	**413.24**	**1.1**	**816.01**	**598.09**

	Gross Block (At Cost)				Accumalated Depreciation				Net Block
	As at 1 April 2023	Additions	Deletion / Adjustment	Balance as at 31 March 2023	Upto 01 April 2023	For the year	Deletion / Adjustment	Upto 31 March 2024	As at 31 March 2024
Office Premises	-	1,341.41	-	1,341.41	-	403.90	-	403.90	937.51
Total	**-**	**1,341.41**	**-**	**1,341.41**	**-**	**403.90**	**-**	**403.90**	**937.51**

6A Other Intangible Assets

	Gross Block (At Cost)				Accumalated Depreciation				Net Block
	As at 1 April 2024	Additions	Deletion / Adjustment	Balance as at 31 March 2025	Upto 01 April 2024	For the year	Deletion / Adjustment	Upto 31 March 2025	As at 31 March 2025
Software	5,283.30	562.51	1,029.90	4,815.91	5,185.47	121.30	1,029.90	4,276.87	539.04
Total	**5,283.30**	**562.51**	**1,029.90**	**4,815.91**	**5,185.47**	**121.30**	**1,029.90**	**4,276.87**	**539.04**

	Gross Block (At Cost)				Accumalated Depreciation				Net Block
	As at 1 April 2023	Additions	Deletion / Adjustment	Balance as at 31 March 2023	Upto 01 April 2023	For the year	Deletion / Adjustment	Upto 31 March 2024	As at 31 March 2024
Software	5,231.94	52.45	1.09	5,283.30	5,029.77	156.08	0.38	5,185.47	97.83
Total	**5,231.94**	**52.45**	**1.09**	**5,283.30**	**5,029.77**	**156.08**	**0.38**	**5,185.47**	**97.83**

7. Investments

		As at 31 March 2025		As at 31 March 2024	
		Number of Shares	**Amount**	Number of Shares	Amount
I	**Non-Current Investments**				
A	**Investments in Equity Instruments**				
	In subsidiaries (at cost)				
	Satyam Venture Engineering Services (Shanghai) Co. Ltd [Refer note (i) below]	**-**	**232.30**	-	232.30
	Satven GmbH [Refer note (i) below]	**-**	**359.50**	-	359.50
	Satyam Venture Japan KK [Refer note (ii) below]	**1,680**	**460.24**	-	-
	Total		**1,052.04**		591.80
(a)	Aggregate amount of quoted investments and market value thereof;		**-**		-
(b)	Aggregate amount of unquoted investments; and		**1,052.04**		591.80
(c)	Aggregate amount of impairment in value of investments		**-**		-

Note :

(i) Investment in this entity is not denominated in number of shares as per local laws of the respective countries.

(ii) Investment in this entity is not denominated in face value of shares as per local laws of the respective countries.

		As at31 March 2025		As at 31 March 2024	
		Units	**Amount**	Units	Amount
II	**Current Investments**				
A	**Investment in Mutual Funds**				
	(at fair value through profit or loss)				
	ICICI Prudential Savings Fund - DP Growth	**672982**	**3,631.55**	625749	3,125.94
	ICICI Prudential Liquid Fund - DP Growth	**264173**	**1,014.15**	-	-
	ICICI Prudential Overnight Fund - DP Growth	**22064**	**303.59**	-	-
	HSBC Cash Fund Direct Growth Plan	**100749**	**2,603.67**	116252	2,797.00
	HSBC Ultra Short Duration Fund Direct Growth	**27822**	**374.77**	27822	347.93
	Kotak Liquid Fund Direct Plan Growth	**69672**	**3,650.41**	62884	3,068.14
	Kotak Overnight Fund Direct Plan Growth	**51620**	**703.14**	-	-
	Kotak Low Duration Fund - Direct Growth	**16871**	**601.69**	-	-
	SBI Liquid Fund Direct Growth	**91254**	**3,701.22**	73404	2,774.15
	HDFC Low Duration Fund - Direct Growth	**654426**	**400.97**		
	HDFC Liquid DP Growth Option	**77366**	**3,940.64**	61316	2,908.63
	Total		**20,925.80**		15,021.79
(a)	Aggregate amount of quoted investments and market value thereof;		**-**		-
(b)	Aggregate amount of unquoted investments		**20,925.80**		15,021.79
(c)	Aggregate amount of impairment in value of investments		**-**		-

		As at 31 March 2025	As at 31 March 2024
8.	**Other financial assets measured at amortised cost**		
	I. Non-Current		
	Other bank balances - in deposit accounts	**99.00**	2,454.33
	Security Deposits [Refer note 8.2]	**308.72**	292.38
	Foreign Currency Derivative Assets	**7.17**	24.01
	Total	**414.89**	2,770.72
	II. Current		
	Other bank balances - in deposit accounts	**2,424.81**	-
	Unbilled revenue [Refer note 8.1]	**5,132.72**	3,328.47
	Interest Receivable on deposits	**595.60**	625.85
	Foreign currency Derivative Assets	**29.24**	17.51
	Total	**8,182.37**	3,971.83
8.1	**Of the above, Unbilled revenue from:**		
(a)	Related parties [Refer note 34]	**2,639.86**	1,590.65
(b)	Others	**2,492.86**	1,737.82
		5,132.72	3,328.47

8.2 Include deposit of ₹.67.83 Lakhs [31 March 2024 : ₹.67.83 Lakhs] with CGITCLC and ₹.58.24 Lakhs [31 March 2024: ₹.58.24 Lakhs] with CESTAT in respect of the ongoing disputes [Refer note 30A(ii) & (iv)]

		As at 31 March 2025	As at 31 March 2024
9.	**Deferred tax assets / (liabilities) (Net)**		
	Deferred tax assets	**760.06**	924.43
	Deferred tax liabilities	**(1,013.23)**	(816.76)
	Total	**(253.17)**	107.68
	Presented as		
	Deferred tax assets (Net)	**-**	107.68
	Deferred tax liabilities (Net)	**253.17**	-

9.1 The tax effect of significant temporary differences that has resulted in deferred tax assets are given below:

a) For the year ended 31 March 2025

	PPE and Intangible assets	ROU Assets	Lease Liabilities	Provision for doubtful debts	Provision for defined benefit obligations	ICDS Adjustments: Interest on Income Tax	Cash Flow Hedging Reserve	Fair value gain on Mutual funds	Total
Opening balance	226.93	(235.95)	245.63	11.76	440.11	(54.69)	(8.30)	(517.81)	107.68
Recognised in profit or loss	(32.16)	85.43	(77.27)	(11.76)	18.80	-	-	(283.68)	(300.65)
Recognised in other comprehensive income	-				(61.98)		1.78	-	(60.20)
Reclassified from equity to profit or loss	-			-	-	-	-	-	-
Closing Balance	**194.77**	**(150.53)**	**168.36**	**(0.00)**	**396.93**	**(54.69)**	**(6.52)**	**(801.49)**	**(253.17)**

b) For the year ended 31 March 2024

	PPE and Intangible assets	ROU Assets	Lease Liabilities	Provision for doubtful debts	Provision for defined benefit obligations	ICDS Adjustments: Interest on Income Tax	Cash Flow Hedging Reserve	Fair value gain on Mutual funds	Total
Opening balance	244.17	-	-	14.02	396.27	(99.19)	(0.16)	(265.57)	289.56
Recognised in profit or loss	(17.24)	(235.95)	245.63	(2.26)	31.01	44.50	-	(252.25)	(186.57)
Recognised in other comprehensive income	-	-	-	-	12.83		(8.14)	-	4.69
Reclassified from equity to profit or loss	-	-	-	-	-	-	-	-	-
Closing Balance	**226.93**	**(235.95)**	**245.63**	**11.76**	**440.11**	**(54.69)**	**(8.30)**	**(517.81)**	**107.68**

10. Non-current tax assets (net)

	As at 31 March 2025	As at 31 March 2024
Advance income tax and tax deducted at source	**4,304.74**	4,702.59
(net of provisions ₹.13,216.05 Lakhs [31 March 2024: ₹.14,789.49 Lakhs])		
Total	**4,304.74**	4,702.59

11. Trade receivables

		As at 31 March 2025	As at 31 March 2024
(a)	Considered good - Secured	**-**	-
(b)	Considered good - Unsecured	**7,371.24**	7,017.67
(c)	Receivables which have significant increase in credit risk	**-**	-
(d)	Credit impaired	**-**	46.75
	Less: allowance for expected credit loss	**-**	(46.75)
	Total	**7,371.24**	7,017.67

11.1 Of the above, trade receivables from:

		As at 31 March 2025	As at 31 March 2024
(a)	Related parties [Refer note 34]	**2,546.36**	1,139.26
(b)	Others	**4,824.88**	5,878.41
	Total	**7,371.24**	7,017.67

11.2 Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for trade receivables (other than receivables from related parties) that do not constitute a financing transaction. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Before accepting any new customer, the Company assesses the potential customer's credit quality.

The Average credit period on Sale of Services 60 days.

11.3 Age of Trade Receivables

		Outstanding for following periods from due date of payment as on 31 March 2025					
		Not Due	**Less than 6 months**	**6 months – 1 year**	**1-2 years**	**More than 3 years**	**Total**
	Undisputed trade receivables						
(a)	- considered good	5,158.89	2,067.38	144.97	-	-	7,371.24
(b)	- which have significant increase in credit risk	-	-	-	-	-	-
(c)	- credit impaired	-	-	-	-	-	-
	Disputed trade receivables						
(d)	- considered good	-	-	-	-	-	-
(e)	- which have significant increase in credit risk	-	-	-	-	-	-
(f)	- credit impaired	-	-	-	-	-	-

		Outstanding for following periods from due date of payment as on 31 March 2024					
		Not Due	**Less than 6 months**	**6 months – 1 year**	**1-2 years**	**More than 3 years**	**Total**
	Undisputed trade receivables						
(a)	- considered good	6,596.13	398.67	22.88	-	-	7,017.67
(b)	- which have significant increase in credit risk	-	-	-	-	-	-
(c)	- credit impaired	-	-	-	46.75	-	46.75
	Disputed trade receivables						
(d)	- considered good	-	-	-	-	-	-
(e)	- which have significant increase in credit risk	-	-	-	-	-	-
(f)	- credit impaired	-	-	-	-	-	-

11.4 Classification of trade receivables

		As at 31 March 2025	As at 31 March 2024
(a)	Non-Current	**-**	-
(b)	Current	**7,371.24**	7,017.67
Total		**7,371.24**	7,017.67

11.5 Movement in the allowance for expected credit loss

		As at 31 March 2025	As at 31 March 2024
(i)	Balance at the beginning of the year	**46.75**	55.73
(ii)	Add: Allowance for expected credit loss	**-**	114.25
(iii)	Less: Provision write back		(123.23)
(iv)	Less: Receivables written off	**(46.75)**	-
(v)	Balance at the end of the year	**-**	46.75

12. Cash and cash equivalents

		As at 31 March 2025	As at 31 March 2024
Balances with Banks			
(a)	with Scheduled banks		
	in Current account	**32.78**	489.73
	in Deposit account having original maturity less than 3 months	**430.00**	2,165.00
(b)	with Other banks		
	in Current account	**2,167.39**	3,016.23
Total		**2,630.17**	5,670.96

13. Other Bank Balances

	As at 31 March 2025	As at 31 March 2024
Balances with Banks		
with Scheduled banks		
in Deposit account	**9,798.66**	10,569.96
Total	**9,798.66**	10,569.96

14. Other assets

		As at 31 March 2025	As at 31 March 2024
I.	**Current**		
	Loans and advances to employees	**138.67**	209.25
	Balance with government authorities	**1,358.38**	923.30
	Prepaid expenses	**966.60**	963.69
	Contract asset	**34.00**	6.45
	Others	**56.76**	108.92
	Total	**2,554.41**	2,211.61

14.1 Of the above, Other assets from:

		As at 31 March 2025	As at 31 March 2024
(a)	Related parties [Refer note 34]	**3.15**	-
(b)	Others	**2,551.26**	2,211.61
		2,554.41	2,211.61

15. Equity share capital

	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	**Amounts**	Number of Shares	Amounts
Authorised Share Capital				
Equity share capital of ₹.10 each	**75,00,000**	**750.00**	75,00,000	750.00
Issued, Subscribed and Fully Paid up				
Equity share capital of ₹.10 each	**70,88,960**	**708.90**	70,88,960	708.90

15.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting period.

	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	**Amounts**	Number of Shares	Amounts
Equity share capital of ₹.10 each				
Balance as at beginning of the year	**70,88,960**	**708.90**	70,88,960	708.90
Issued during the year	**-**	**-**	-	-
Balance as at end of the year	**70,88,960**	**708.90**	70,88,960	708.90

15.2 Shares held by holding/ultimate holding Company and/or their subsidiaries/associates

	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	**Amounts**	Number of Shares	Amounts
Equity shares of ₹.10 each fully paid held by				
Tech Mahindra Limited	**35,44,480**	**354.45**	35,44,480	354.45
Venture Global Engineering Services LLC	**35,44,480**	**354.45**	35,44,480	354.45

15.3 Details of shares held by each shareholders holding more than 5% shares in the Company

	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	**% of holding**	Number of Shares	% of holding
Equity shares of ₹.10 each fully paid held by				
Tech Mahindra Limited	**35,44,480**	**50%**	35,44,480	50%
Venture Global Engineering Services LLC	**35,44,480**	**50%**	35,44,480	50%

15.4 Details of shares held by promoters

	As at 31 March 2025		
	Number of Shares	**% of total shares**	**% Change during the year**
Equity shares of ₹ 10 each fully paid held by			
Tech Mahindra Limited	**35,44,480**	**50%**	**-**
Venture Global Engineering Services LLC	**35,44,480**	**50%**	**-**

	As at 31 March 2024		
	Number of Shares	% of total shares	% Change during the year
Equity shares of ₹10 each fully paid held by			
Tech Mahindra Limited	35,44,480	50%	-
Venture Global Engineering Services LLC	35,44,480	50%	-

15.5 Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The percentage of shareholding shall be maintained as set out in Article 4 of Articles of Association and the fresh issue to be offered to both the shareholders in proportion to their shareholding. Any shares not accepted shall in the first instance be offered to the other remaining member and affiliates nominated by thereof.

		As at 31 March 2025	As at 31 March 2024
16.	**Other equity**		
	General Reserve	**12.50**	12.50
	Retained Earnings	**47,584.72**	41,440.59
	Other Components of Equity		
	Remeasurement of the defined benefits plans	**552.42**	368.13
	Cash Flow Hedging Reserve (Net of tax)	**19.33**	24.63
	Total	**48,168.97**	41,845.85
16.1	**General Reserve [note 16.4]**		
	Balance at beginning of year	**12.50**	12.50
	Movement during the year	**-**	-
	Balance at end of year	**12.50**	12.50
16.2	**Retained Earnings [note 16.5]**		
	Balance at beginning of year	**41,440.59**	36,183.59
	Profit for the year	**6,144.13**	5,257.00
	Balance at end of year	**47,584.72**	41,440.59
16.3	**Other Components of Equity**		
a)	**Remeasurement of the defined benefits plans** [note 16.6]		
	Opening balance	**368.13**	406.29
	Current year charge	**184.29**	(38.16)
	Balance at end of year	**552.42**	368.13
b)	**Cash Flow Hedge Reserve** [note 16.7]		
	Opening balance	**24.63**	0.44
	Movement during the year (Net of tax)	**(5.30)**	24.19
	Balance at end of year	**19.33**	24.63

16.4 The Company has transferred the amount from capital reserve upon fulfilment of the contribution attached to the investment subsidy received in earlier years.

16.5 Retained earning represents the Company's undistributed earnings after taxes.

16.6 Represents the actuarial gain/(loss) recognised on the defined benefit plan and will not be reclassified to retained earnings.

16.7 It represents accumulated effective portion of changes in fair value of the derivative and will be transferred to statement of Profit and Loss upon occurrence of related forecasted transaction.

16.8 Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

		As at 31 March 2025	As at 31 March 2024
17.	**Provisions**		
I	**Non-Current**		
	Provision for Employee Benefits [Refer note 33]		
	Compensated Absences	**249.06**	297.79
	Gratuity	**1,033.25**	1,132.82
	Total	**1,282.31**	1,430.61
II	**Current**		
	Provision for Employee Benefits [Refer note 33]		
	Compensated Absences	**70.95**	80.20
	Gratuity	**223.86**	237.90
	Provision for Contingencies [Refer note 30.2]	**5,291.42**	5,291.42
	Total	**5,586.23**	5,609.52
18.	**Lease Liabilities**		
I	**Non-Current**		
	Lease Liabilities	**290.97**	603.54
		290.97	603.54
II	**Current**		
	Lease Liabilities	**377.97**	372.40
		377.97	372.40
19.	**Other Financial Liabilities**		
I	**Non-Current**		
	Foreign Currency Derivatives Liabilities	**8.25**	0.89
		8.25	0.89
II	**Current**		
	Other Financial Liabilities		
	Dues for Capital assets	**296.05**	5.47
	Foreign currency Derivative Liabilities	**2.31**	7.71
	Accrued Salaries and Benefits	**284.82**	613.54
	Total	**583.18**	626.72
20.	**Trade Payables**		
	Amounts due to micro and small enterprises (Refer note 20.2)	**2.95**	11.97
	Others	**608.22**	875.01
	Total	**611.17**	886.98
20.1	**Of the above, Trade payables from:**		
(a)	Related parties [Refer note 34]	**140.72**	-
(b)	Others	**470.44**	886.98
		611.17	886.98

20.2 Ageing of Trade Payables

	Outstanding for following years from due date of payment as on 31 March 2025					
	Not Due	**Less than 1 Year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
MSME	**2.95**	**-**	**-**	**-**	**-**	**2.95**
Others	**542.88**	**65.34**	**-**	**-**	**-**	**608.22**
Disputed dues - MSME	**-**	**-**	**-**	**-**	**-**	**-**
Disputed dues - Others	**-**	**-**	**-**	**-**	**-**	**-**

	Outstanding for following years from due date of payment as on 31 March 2024					
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
MSME	11.97	-	-	-	-	11.97
Others	757.87	117.14	-	-	-	875.01
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

20.3 The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the MSMED Act, 2006) claiming their status as micro or small enterprises. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by management and the required disclosures are given below:

		As at 31 March 2025	As at 31 March 2024
a)	Principal amount remaining unpaid	**2.95**	11.97
b)	Interest due thereon	**Nil**	Nil
c)	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	**Nil**	Nil
d)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	**Nil**	Nil
e)	Interest accrued and remaining unpaid	**Nil**	Nil
f)	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	**Nil**	Nil

		As at 31 March 2025	**As at 31 March 2024**
21.	**Other Current Liabilities**		
	Statutory payables	**535.56**	710.31
	Unearned revenue	**26.69**	59.97
	Total	**562.25**	770.28
22.	**Current tax liabilities**		
	Income tax payables	**367.99**	1,173.37
	(net of advance tax ₹.2,636.35 Lakhs [31 March 2024: ₹.5,888.11 Lakhs])		
	Total	**367.99**	1,173.37

		Year ended 31 March 2025	Year ended 31 March 2024
23.	**Income from operations**		
	Income from Services		
	- export of services	**22,997.93**	24,971.33
	- domestic services	**14,630.15**	12,408.38
	Total	**37,628.08**	37,379.71
24.	**Other income**		
	Interest Income		
	Deposits with Banks (at amortised cost)	**1,074.88**	840.71
	Interest on Income Tax Refund	**62.84**	484.02
	Interest on Security Deposit	**16.08**	14.03
	Net Gain / (Loss) on sale of investments	**12.94**	-
	Profit on sale of assets (net)	**2.86**	6.84
	Forex gain	**-**	66.89
	Fair value measurements	**1,207.07**	1,002.26
	Dividend Income on Non Current Investment	**246.71**	-
	Liability/Provisions no longer required written back	**-**	55.60
	Other Income (realisations of Bad debts)	**-**	10.66
	Miscellaneous Income	**31.15**	40.33
	Total	**2,654.53**	2,521.34
25.	**Employee benefits expense**		
	Salaries and Wages	**26,217.91**	25,862.01
	Contribution to Provident and Other Funds	**511.07**	476.19
	Gratuity	**250.10**	226.14
	Staff Welfare	**340.12**	346.95
	Total	**27,319.20**	26,911.29
26.	**Finance costs**		
	Interest on Income Tax	**-**	308.26
	Interest on Lease Liability	**87.96**	120.53
	Total	**87.96**	428.79
27.	**Depreciation and amortisation expense**		
	On Property, Plant and Equipment	**267.78**	293.06
	On Right of Use Assets	**413.24**	403.90
	On intangible assets	**121.30**	156.08
	Total	**802.32**	853.04
28.	**Other expenses**		
	Short term lease	**31.23**	42.81
	Rates and taxes	**207.76**	144.76
	Power and fuel	**146.37**	149.90
	Insurance	**119.75**	118.81
	Travelling and Conveyance	**731.53**	979.53
	Communication	**59.47**	64.77
	Marketing expenses	**154.17**	220.45
	Repair and Maintenance	**198.96**	178.57
	Project Expenses - Customer Specific	**65.84**	13.89
	Computer Hire Charges	**12.30**	35.04
	Security Services	**69.50**	61.80
	Recruitment, Training and Development	**173.01**	197.59
	General Office Expenses	**12.09**	11.75
	Legal and professional	**571.67**	712.93
	Office Maintenance	**140.21**	149.97
	Computer Maintenance	**1,650.11**	1,422.23
	Auditors' Remuneration (Refer Note: 28.1)	**36.77**	30.65
	Directors Sitting Fees	**8.55**	8.25

		Year ended 31 March 2025	Year ended 31 March 2024
	CSR Expenses	**71.00**	54.59
	Provision for doubtful debts	**-**	46.62
	Bad Debts Written off	**46.75**	-
	Less: Provision	**(46.75)**	-
	Forex loss	**52.22**	-
	Bank Charges	**29.88**	35.44
	Miscellaneous expenses	**86.73**	64.62
	Total	**4,629.12**	4,744.97

		Year ended 31 March 2025	Year ended 31 March 2024
28.1	**Auditors' remuneration includes**		
	for statutory audit	**17.00**	16.00
	for quarterly audit	**3.00**	3.00
	for tax audit	**4.50**	3.50
	for Branch audit	**2.50**	-
	for taxation matters	**9.00**	7.06
	for Certificaiton Fee	**0.77**	1.09
		36.77	30.65

29. Income taxes relating to continuing operations

		Year ended 31 March 2025	Year ended 31 March 2024
29.1	**Income tax recognised in profit or loss**		
	Current tax		
	In respect of the current year	**1,500.70**	1,614.74
	In respect of the prior years	**(866.26)**	(590.58)
		634.44	1,024.16
	Deferred tax		
	In respect of the current year	**300.65**	186.57
	Deferred tax reclassified from equity to profit or loss	**-**	-
		300.65	186.57

29.2 Reconciliation of income tax expense for the year to the accounting profit is as follows:

	Year ended 31 March 2025	Year ended 31 March 2024
Profit before tax from continuing operations	**7,079.22**	6,467.73
Income tax expense calculated at 25.168%	**1,781.70**	1,627.80
Effect of income that is exempt from tax	**(0.72)**	(1.72)
Effect of expenses that are not deductible in determining taxable profit	**(280.28)**	(11.34)
	1,500.70	1,614.74
Adjustment recognised in the current year in relation to the current tax of earlier years	**(866.26)**	(590.58)
Income tax expense recognised in profit or loss	**634.44**	1,024.16

29.3 Income tax recognised in other comprehensive income

		Year ended 31 March 2025	Year ended 31 March 2024
	Deferred tax arising on income and expenses recognised in other comprehensive income		
A.	**Items that will not be recycled to profit or loss**		
	Remeasurements of the defined benefit liabilities / (asset)	**61.98**	(12.83)
		61.98	(12.83)
B.	**Items that may be reclassified to profit or loss**		
	Effective portion of gain / (loss) on Designated Portion of Hedging Instruments in a Cash Flow Hedge (net)	**(1.78)**	8.14
		(1.78)	8.14
		60.20	(4.69)

29.4 Current tax for the year ended 31 March 2025 includes tax expense with respect to foreign branches amounting to ₹347.5 Lakhs [year ended 31 March 2024 ₹438.1 Lakhs].

29.5 The tax rate used for the above reconciliation is the rate as applicable for the respective period payable by corporate entities in India on taxable profits under the Indian income tax laws. Company has elected to claim benefit given under section 115BAA of Income tax Act,1961 and has applied tax rate of 22% for computation of current tax and deferred tax.

		As at 31 March 2025	As at 31 March 2024
A	**Claims against the Company not acknowledged as debt**		
i	Disputed income tax matters [Refer Note 30.1]	**2,527.81**	2,900.23
ii	Disputed service tax liability for which the Company preferred appeal	**947.19**	947.19
iii	Disputed interest liability on service tax for which the Company preferred appeal	**Not Ascertained**	Not Ascertained
iv	Demand from EPFO for which the Company preferred appeal	**193.79**	193.79
v	Others [Refer Note 30.2]	**38,974.50**	35,354.40
B	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	**15.30**	61.89

30.1 Disputed income tax matters

Assessment upto AY 2008-09 has been completed and necessary adjustments have been made to reflect reversal of tax provision created for these years and the advance tax in the standalone financial statements. The Department had preferred an appeals for the AY 2002-03 to AY 2009-10 before honourable high court.

For AY 2009-10, the TPO/AO passed consequential orders giving the relief per the ITAT order. However, new issue which was not part of original proceedings, relating to addition of Commission as transfer price adjustment, has led to a new demand. The issue relating to TP adjustment of commission had been decided in favour of the Company in earlier years and hence, no provision for tax is made in respect of the demand raised.

For AY 2011-12 to 2018-19, the matters relate to either TP adjustment of ITES and Interest, disallowance of reimbursement of expenses to certain residents and non-residents for non-deduction of TDS. For AY 2020-21 and 2022-23, the matters relate to either TP adjustment of ITES, disallowance of reimbursement of expenses to certain residents and non-residents for non-deduction of TDS. The appeals filed by the Company are pending with either CIT(A) or Hon'ble Tribunal for these assessment years.

30.2 Contingent Liability - Others

The Company was promoted as 50:50 Joint Venture by Satyam Computer Services Ltd ("Satyam") and Venture Global Engineering LLC US ("Venture"). The joint venture partners entered into a Shareholders' Agreement (SHA) dated October 20, 1999 that provided for a royalty payment from the Company to both the joint venture partners in terms of a separate Royalty Agreement to be entered into between the Company and the joint venture partners. The Royalty Agreement was not entered into between the Company and the joint venture partners as envisaged in the SHA.

The Company and joint venture partners entered into separate Sales Commission Agreements that provided for payment of sales commission to the joint venture partners as per terms and conditions contained in the said agreements. In line with the provisions contained therein, the Company has been accruing and paying commission to its joint venture partners up to the year 2005-06.

During the year 2005-06, Satyam commenced arbitration proceedings against Venture in the London Court of International Arbitration ("LCIA") by invoking the arbitration clause in the SHA. Satyam's claims were upheld by the LCIA in its award dated April 2006 ("the Award"). Since then both the joint venture partners have raised numerous claims against each other resulting in multiple legal proceedings both in India and the USA that are still ongoing.

On January 7, 2009, the then Chairman of Satyam vide his letter addressed to then existing Board of Directors of Satyam, the stock exchanges and SEBI admitted to several financial irregularities in Satyam. Consequent to a global

bidding process to take over the management of Satyam, M/s Venturbay Consultants Private Limited (the successful bidder) took over the management of Satyam.

Notwithstanding the dispute, the Company under its erstwhile management, continued to accrue the sales commission in its books. The newly reconstituted Board approved the accounts of the Company for the years 2008-09, 2009-10 and 2010-11, with continued accrual of sales commission. This was based on a view taken by the newly constituted Board that the matter is sub-judice that was corroborated by legal opinion and continued as prudent measure.

During the meetings held in 2011-12, the Board discussed the need to accrue the sales commission, as Venture did not render any services to the Company either during the year or during the past many years since the dispute. Further, in so far as the Company was concerned, Venture had not, till that point of time, claimed any amounts towards sales commission. The Board also took note of the fact (based on an updated legal opinion) that the issue of sales commission is not a disputed matter before the Courts either in India or in USA and not sub judice, as per original view.

Under the circumstances, the Board took the view on May 14, 2012 when the financial statements for the year ended March 31, 2012 was tabled for approval, that the accrual of sales commission from FY 05-06 to FY 10-11 of ₹3,594.07 Lakhs be written back as other income in the Statement of Profit and Loss and the sales commission for the period from April 2011- December 2011 be reversed. However, as a prudent measure, the Board directed that the Company provide an amount of ₹5,291.41 Lakhs as a provision for contingency, covering the period from FY 05-06 to FY 11-12 which in its opinion would be adequate to cover any possible outflow that may arise in respect of the aforesaid matter and adjustments to the financial statements if any, to be made on final disposal of legal proceedings.

Subsequent to the adoption of accounts by the Board, the Company was served a suit filed by Venture before the City Civil Court, Secunderabad inter alia seeking a direction to the Company to pay sales commission that it was entitled to under the Shareholders Agreement. In the said suit, two ex-parte orders were passed by the City Civil Court , directing the Company, Venture and Satyam to maintain status quo with regard to transfer of 50% shares of Venture and with regard to taking major decisions which are prejudicial to interest of Venture . The Company has challenged the ex-parte orders of the City Civil Court Secunderabad, before the Hon'ble High Court of Andhra Pradesh ("the High Court").

In a related development, the City Civil Court, Hyderabad set aside the Award in January 2012, against which Satyam has filed an appeal before the High Court.

The High Court by its Judgement dated August 23, 2013 has allowed the appeals filed by the Company and set aside the ex-parte interim orders against the Company. The High Court has also set aside the Order of the City Civil Court, Hyderabad setting aside the Award and upheld the Award in favour of Satyam. The High Court as an interim measure ordered status quo with regard to transfer of shares, originally given by Supreme Court to be maintained for four (4) weeks which was extended for a further period of 3 weeks by High Court on 19th September, 2013.

Venture filed an SLP before the Supreme Court of India which was heard by the Apex Court on 21st October, 2013 and Supreme Court as an interim measure ordered status quo with regard to transfer of shares. TechM has filed a Special leave Petition before the Supreme Court of India challenging the judgement of the High Court only on the limited issue as to whether the Civil Court has jurisdiction to entertain VGE's challenge to the Award. The Hon'ble Bench of Supreme Court, in view of the difference of opinion by an order dated November 1, 2017 has directed the registry to place the SLP's before the Chief Justice of India for appropriate further course of action.

The Company has not modified the provision for contingencies amounting to ₹ 5,291.41 Lakhs as on 31 March 2012. The Company has also disclosed an amount of ₹ 38,974.50 Lakhs [31 March 2024: ₹ 35,354.40 Lakhs] as contingent liability, to cover any possible charge that may arise in respect of the above said matter, in the financial statements for the year ended 31 March 2025 by way of abundant caution notwithstanding the Board's view that there is no need to accrue sales commission since Venture did not provide any services to the Company.

31. Preparation of financial statements:

At the Annual General Meetings of the Company, one of the shareholders abstained from voting on the resolution for adoption of audited standalone financial statements as at and for the years ended 31 March 2012 to 2024 while the other shareholder had given consent for the adoption. In terms of Article 66 of the Articles of Association of the Company, the adoption of audited financial statements requires unanimous consent of both the shareholders of the Company. Therefore, the said audited standalone financials have not been approved by the shareholders. The standalone financial statements as at and for the year ended 31 March 2025 have been drawn up incorporating the opening balances based on above said financial statements which have not been adopted by the Shareholders. Adjustments required, if any, will be made in accounts as and when determined.

32. Pursuant to the order from Ministry of Corporate Affairs, Serious Fraud Investigation Office (SFIO) vide its letter dated January 9, 2009 carried out inspection of books of accounts and other records of the Company under Section 209A of the Act. Consequent to inspection, SFIO has filed a complaint in Economic Offences Court, Hyderabad ("the trial

court") against the Company and the then directors. The Company has filed a writ petition in the Hon'ble High court of judicature at Hyderabad to quash the complaint of SFIO. The Hon'ble High Court has directed the trial court not to insist the appearance of directors for examination. During the period Hon'ble High Court has quashed the criminal complaint filed by SFIO against the Company and its directors. SFIO has challenged the order before Supreme Court by way of Special Leave Petition (SLP). However the Hon'ble Supreme Court dismissed the SLP at the admission stage.

33. Employee benefit plans

33.1 Defined Contribution Plan

The Company makes contributions to Provident and other Fund which is a defined contribution plans for qualifying employees. Under these Scheme, the Company contributes a specified percentage of the payroll costs to the respective funds. The Company has recognized ₹ 511.07 Lakhs [31 March, 2024 : ₹ 476.19 Lakhs] as an expense in the Statement of Profit and Loss.

33.2 Defined Benefit Plan

The gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The Company also makes provision for gratuity for the employees transferred from the company to its subsidiaries. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risks commonly affecting the liabilities and the financial results are expected to:

a) **Interest rate risk :** the defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

b) **Salary inflation risk :** Higher than expected increases in salary will increase the defined benefit obligation.

c) **Demographic risk :** For example, as plan is open to new entrants, an increase in membership will increase the defined benefit obligation. Also, the plan only provides benefits upon completion of a vesting criteria. Therefore, if turnover rates increase, then the liability will tend to fall as fewer employees reach vesting period.

I The Principal Assumptions used for the purposes of the actuarial valuation as follows:

	Details	**Year ended 31 March 2025**	Year ended 31 March 2024
1	Discount Rate(s)	**6.40%**	6.90%
2	Expected Rate(s) of salary increase	**4% for first year, 5% there after**	5% for first year, 10% there after
3	Demographic Assumptions		
	Mortality Rate	**Indian Assured lives Mortality (2006-08) Ult.**	Indian Assured lives Mortality (2006-08) Ult.
	For Offshore Employees	**18.00%**	20.00%
	Onsite Employees	**10.00%**	15.00%

II Disclosure of defined benefit cost :

	Details	**Year ended 31 March 2025**	Year ended 31 March 2024
A	**Amounts Recognised in statement of Profit & Loss**		
1	Current Service Cost	**159.57**	143.80
2	Past service cost - plan amendments	**-**	-
3	Curtailment cost / (credit)	**-**	-
4	Settlement cost / (credit)	**-**	-
5	**Service Cost**	**159.57**	143.80
6	Net interest on net defined benefit liability / (asset)	**90.53**	82.34
7	Immediate recognition of (gains)/losses - other long term employee benefit plans	**-**	-
8	Cost of Termination Benefits	**-**	-
9	**Cost recognised in P&L**	**250.10**	226.14

	Details	Year ended 31 March 2025	Year ended 31 March 2024
B	**Amounts Recognised in Other Comprehensive Income (OCI)**		
1	Actuarial (gain)loss due to DBO experience	**33.63**	98.47
2	Actuarial (gain)loss due to DBO assumption changes	**(279.90)**	(47.47)
3	**Actuarial (gain)loss arising during the period**	**(246.27)**	50.99
4	Return on plan assets (Greater)/Less than discount rate	**-**	-
5	Actuarial (gains)/losses recognised in OCI	**(246.27)**	50.99
6	Adjustment for limit on net asset	**-**	-
7	Cumulative Actuarial (Gain)/ Loss Recognised via OCI at Prior Period End	**-**	-
8	**Cumulative Actuarial (Gain)/ Loss Recognized via OCI at Current Period End**	**(246.27)**	50.99
Employee benefit plans cont…			
C	**Defined benefit cost**		
1	Service Cost	**159.57**	143.80
2	Net interest on net defined benefit liability / (asset)	**90.53**	82.34
3	Actuarial (gains)/losses recognised in OCI	**(246.27)**	50.99
4	Immediate recognition or (gains)/losses - other long term employee benefit plans	**-**	-
5	**Defined Benefit Cost**	**3.82**	277.14

III Changes in benefit obligation and assets

	Details	Year ended 31 March 2025	Year ended 31 March 2024
A.	**Changes in defined benefit obligation:**		
1	Defined benefit obligation(DBO) at the end of prior period	**1,370.72**	1,225.74
2	Current service cost	**159.57**	143.80
3	Interest cost on the DBO	**90.53**	82.34
4	Curtailment (credit)/ cost	**-**	-
5	Settlement (credit)/ cost	**-**	-
6	Past service cost - plan amendments	**-**	-
7	Acquisitions (credit)/ cost	**-**	-
8	Actuarial (gain)/loss - experience	**33.63**	98.47
9	Actuarial (gain)/loss - demographic assumptions	**-**	-
10	Actuarial (gain)/loss - financial assumptions	**(279.90)**	(47.47)
11	Benefits paid directly by the Company	**(117.44)**	(132.16)
12	Benefits paid from plan assets	**-**	-
13	**DBO at end of current period**	**1,257.11**	1,370.72
B.	**Changes in fair value of assets:**		
1	Fair value of assets at end of prior period	-	-
2	Acquisition adjustment	-	-
3	Interest income on plan assets	-	-
4	Employer contributions	-	-
5	Return on plan assets greater/(lesser) than discount rate	-	-
6	Benefits paid	-	-
7	**Fair Value of assets at the end of current period**	-	-

IV Additional Disclosures

		31 March 2025	31 March 2024
A.	**Expected benefit payments for the period ending**		
	2026 (PY 2025)	**230.92**	245.97
	2027 (PY 2026)	**232.21**	239.32
	2028 (PY 2027)	**232.36**	241.79
	2029 (PY 2028)	**248.50**	248.52
	2030 (PY 2029)	**222.74**	268.54
	2031 TO 2035 (PY 2029 to 2034)	**933.92**	1,124.95
B.	**Current and Non current breakup**		
	Current liability	**223.86**	237.90
	Non current liability	**1,033.25**	1,132.82
	Total Liability	**1,257.11**	1,370.72

V Sensitivity Analysis

	Details	**Year ended 31 March 2025**	Year ended 31 March 2024
A	**Discount rate**		
	Discount rate as at period end	**6.40%**	6.90%
	Effect on DBO due to 0.5% increase in discount rate	**(26.26)**	(30.14)
	Effect on DBO due to 0.5% decrease in discount rate	**27.45**	31.56
B	**Salary escalation rate**		
	Salary escalation rate as at period end	**4% for first year, 5% Thereafter**	5% for first year, 10% Thereafter
	Effect on DBO due to 0.5% increase in salary escalation rate	**28.93**	30.84
	Effect on DBO due to 0.5% decrease in salary escalation rate	**(27.92)**	(30.13)
C	**Withdrawal Rate**		
	For Offshore Employees:	**18.00%**	20.00%
	Onsite Employees:	**10.00%**	15.00%
	Effect on DBO due to 5% increase in withdrawal rate	**1.83**	(44.94)
	Effect on DBO due to 5% decrease in withdrawal rate	**(9.13)**	65.64

Method used for sensitivity analysis: The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

34. Related Party Transactions

34.1 Following is the list of related parties and their relationships

A. Joint Venture Partner

1. Tech Mahindra Limited
2. Venture Global Engineering LLC

B. Subsidiaries

1. Satyam Venture Engineering Services (Shanghai) Co. Ltd
2. Satven GmbH
3. Satyam Venture Japan KK

C. Enterprise having significant influence over Tech Mahindra Limited

1. Mahindra & Mahindra Ltd

2.	Mahindra Last Mile Mobility Limited	
D.	**Under control of Tech Mahindra Limited**	
1.	Tech Mahindra GmbH	
2.	Tech Mahindra Foundation	
E.	**Under control of Venture Global Engineering LLC**	
1.	Jiangyin Venture Interior System	
2.	Venture Diversified Products	
3.	Venture Mould & Engg Co	
4.	Venture Otto South Africa (Prop) Ltd	
5.	Venture Auto Design(Shanghai)Co. Ltd	
F.	**Key Managerial Personnel**	
1.	Jayaraman Ganapathy	Director
2.	VenkataKumar Raju Vadapalli	Director
3.	Krishna Kumari Palle	Director
4.	Venkateswara Rao Gajjala	Director
5.	Narasimham Venkata Rachakonda	Director
6.	Vineet Vij	Director
7.	Venkateswarlu Jonnalagadda	Independent Director
8.	Subramanyam Reddy Chelikam	Independent Director
9.	Rao S Vadlamudi	Chief Executive Officer
10.	Srinivas Chakravarthi Ramancherla	Chief Financial Officer
11.	Aradhana Rewatkar	Company Secretary (resigned on 4th August, 2024)

34.2 Related party transactions during the period are as follows:

	31 March 2025	31 March 2024
Tech Mahindra Limited		
Revenue	**5,729.92**	5,298.00
Tech Mahindra GmbH		
Revenue	**235.61**	511.87
Satyam Venture Engineering Services (Shanghai) Co. Ltd		
Revenue	**930.17**	508.86
Advance given/(repaid) during the year	**(0.03)**	0.03
Investment bought back	**-**	(176.57)
Satven GmbH		
Dividend Received	**246.71**	-
Satyam Venture Japan KK		
Revenue	**48.20**	-
Advance given/(repaid) during the year	**5.36**	-
Mahindra & Mahindra Ltd.		
Revenue	**442.69**	373.22
Mahindra Last Mile Mobility Limited		
Revenue	**-**	3.43
Tech Mahindra Foundation		
Contribution made toward CSR Expenditure	**71.00**	54.59
Directors' Sitting Fees		
Jayaraman Ganapathy	**1.65**	1.50

Vadapalli Venkata Kumar Raju	**2.25**	2.10
Venkateswarlu Jonnalagadda	**2.55**	2.25
Subramanyam Reddy Chelikam	**2.10**	2.40
Compensation to Key Managerial Personnel		
(a) short-term employee benefits;	**168.24**	193.39
(b) post-employment benefits;	**-**	-
(c) other long-term benefits;	**-**	5.76
(d) termination benefits; and	**-**	-
(e) share-based payment.	**-**	-
Staff Loan/Salary Advance paid during the period	**28.06**	4.94

	As at 31 March 2025	As at 31 March 2024
Debit balances outstanding		
Tech Mahindra Limited	**4,455.68**	2,137.13
Tech Mahindra GmbH	**124.10**	263.34
Satyam Venture Engineering Services (Shanghai) Co. Ltd	**230.45**	181.86
Satyam Venture Japan KK	**36.97**	-
Mahindra & Mahindra Ltd	**203.67**	147.96
Mahindra Last Mile Mobility Limited	**-**	2.48
Staff Loan and advance to KMP	**3.15**	2.85
Investment in Satyam Venture Engineering Services (Shanghai) Co. Ltd	**232.30**	232.30
Investment in Satven GmbH	**359.50**	359.50
Investment in Satyam Venture Japan KK	**460.24**	-

35. Contract Asset & Contract Liabilities

35.1 Significant changes in the contract assets balances on fixed price development contracts

Particulars	**As at 31 March 2025**	As at 31 March 2024
Opening Balance	**6.45**	4.10
Add: Revenue recognised during the reporting period	**34.00**	6.45
Less: Invoiced during the period	**(6.45)**	(4.10)
Add/Less: Translation loss/(gain)	**-**	-
Add/Less: Others	**-**	-
Closing Balance	**34.00**	6.45

35.2 Significant changes in the contract liabilities balances during the year ended March 31, 2025

Contract liabilities	**As at 31 March 2025**	As at 31 March 2024
Opening Balance	**59.97**	-
Less: Revenue recognised during the reporting period	**-59.97**	-
Add: Invoiced during the period but, not recognised as revenues	**26.69**	59.97
Add/Less: Translation loss/(gain)	**-**	-
Add/Less: Others	**-**	-
Closing Balance	**26.69**	59.97

36. Segment Information

36.1 Based on the assessment of the chief operating decision maker ('CODM'), for the purpose of resource allocation and assessment of segment performance, the Company has only one business segment viz, engineering services.

36.2 Geographical information

The Company operates in seven principal geographical areas - India (country of domicile), United States of America (USA), Europe, Canada, Mexico and Asia Pacific comprising of China and Japan.

The Company's revenue and Non-Current Assets from continuing operations from customers by location of operations are detailed below:

	Revenue		**Profit**		**Non-Current Assets**	
	Year ended 31 March 2025	Year ended 31 March 2024	**Year ended 31 March 2025**	Year ended 31 March 2024	**Year ended 31 March 2025**	As at 31 March 2024
India	**14,630.15**	12,408.38	**5,549.31**	4,480.88	**7,190.46**	9,521.34
USA	**12,392.01**	13,018.96	**707.22**	793.37	**82.89**	1.71
Europe	**4,278.03**	5,808.57	**42.03**	151.78	**21.50**	33.18
Asia Pacific	**3,758.97**	4,203.68	**550.74**	600.80	**6.69**	8.01
Canada	**20.18**	20.36	**-**	-	**-**	-
Mexico	**2,548.75**	1,919.76	**229.92**	440.90	**37.16**	0.99

36.3 Information about major customers

Revenue arising from sales of Automotive Engineering Services consist of about 60 customers base and out of them 10 customers contribute 80% of revenue. 2 customers contribute more than 10% total revenue.

37. Financial Instruments

Financial Risk Management

The Company's activities are exposed to liquidity and market risks. The Company's senior management has the overall responsibility for establishing and governing the company's risk management frame work. The Company has constituted a Risk Management Committee, which 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 and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the board annually.

Financial Instruments by category

The carrying value and fair value of financial instruments by categories as of 31 March 2025 is as follows:

Particulars	**Fair value through P&L**	**Fair value through OCI**	**Derivative instruments in hedging relationship**	**Amortised cost**	**Total carrying value**	**Total fair value**
Assets						
Cash and cash equivalents	**-**	**-**	**-**	**2,630.17**	**2,630.17**	**2,630.17**
Other balances with banks	**-**	**-**	**-**	**9,798.66**	**9,798.66**	**9,798.66**
Trade receivables	**-**	**-**	**-**	**7,371.24**	**7,371.24**	**7,371.24**
Investments (Other than in subsidiaries)	**20,925.80**	**-**	**-**	**-**	**20,925.80**	**20,925.80**
Other financial assets	**-**	**-**	**36.41**	**8,560.85**	**8,597.26**	**8,597.26**
Total	**20,925.80**	**-**	**36.41**	**28,360.92**	**49,323.13**	**49,323.13**
Liabilities					**-**	**-**
Trade and other payables	**-**	**-**	**-**	**611.17**	**611.17**	**611.17**
Lease Liability	**-**	**-**	**-**	**668.94**	**668.94**	**668.94**
Other financial liabilities	**-**	**-**	**10.56**	**580.87**	**591.43**	**591.43**
Total	**-**	**-**	**10.56**	**1,860.98**	**1,871.54**	**1,871.54**

The carrying value and fair value of financial instruments by categories as of 31 March 2024 is as follows:

Particulars	Fair value through P&L	Fair value through OCI	Derivative instruments in hedging relationship	Amortised cost	Total carrying value	Total fair value
Assets						
Cash and cash equivalents	-	-	-	5,670.96	5,670.96	5,670.96
Other balances with banks	-	-	-	10,569.96	10,569.96	10,569.96
Trade receivables	-	-	-	7,017.67	7,017.67	7,017.67
Investments (Other than in subsidiaries)	15,021.79	-	-	-	15,021.79	15,021.79
Other financial assets	-	-	41.52	6,701.03	6,742.55	6,742.55
Total	15,021.79	-	41.52	29,959.62	45,022.93	45,022.93
Liabilities					-	-
Trade and other payables	-	-	-	886.98	886.98	886.98
Lease Liability	-	-	-	975.94	975.94	975.94
Other financial liabilities	-	-	8.60	619.01	627.61	627.61
Total	-	-	8.60	2,481.93	2,490.53	2,490.53

The fair value of cash and cash equivalents, other balances with bank, trade receivables, unbilled revenues, trade payables, and certain other financial assets and liabilities approximate their carrying amount largely due to the short term nature of these instruments.

Fair value hierarchy

The following table summarises financial asses and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required):

The different levels have been defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level -1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Particulars	**As at 31 March 2025**			As at 31 March 2024		
	Level 1	**Level 2**	**Level 3**	Level 1	Level 2	Level 3
Financial assets						
Mutual fund investments	**20,925.80**	**-**	**-**	15,021.79	-	-
Equity shares	**-**	**-**	**1,052.04**	-	-	591.80
Derivative financial assets	**-**	**36.41**	**-**	-	41.52	-
Total	**20,925.80**	**36.41**	**1,052.04**	15,021.79	41.52	591.80
Financial Liabilities						
Lease Liabilities	**-**	**668.94**	**-**	-	975.94	-
Derivative financial liabilities	**-**	**10.56**	**-**	-	8.60	-
Total	**-**	**679.50**	**-**	-	984.54	-

Sensitivity Risk

Foreign currency sensitivity analysis:

A reasonably possible strengthening by ₹1/- of USD, JPY, GBP, EUR and CNY against the Indian Rupee as at 31 March, 2025 and 31 March , 2024 will affect the statement of profit and loss by the amounts shown below:

₹ in Lakhs

Currency Impact	**Currency**	**As at 31 March 2025**	As at 31 March 2024
Impact of ₹1 strengthening on profit or (loss) for the year	USD	40.36	49.09
Impact of ₹1 weakening on profit or (loss) for the year	USD	-40.36	-49.09
Impact of ₹1 strengthening on profit or (loss) for the year	JPY	389.80	1,779.51
Impact of ₹1 weakening on profit or (loss) for the year	JPY	-389.80	-1,779.51
Impact of ₹1 strengthening on profit or (loss) for the year	Euro	11.37	8.05
Impact of ₹1 weakening on profit or (loss) for the year	Euro	-11.37	-8.05
Impact of ₹1 strengthening on profit or (loss) for the year	CNY	-	2.93
Impact of ₹1 weakening on profit or (loss) for the year	CNY	-	-2.93
Impact of ₹1 strengthening on profit or (loss) for the year	GBP	3.57	1.52
Impact of ₹1 weakening on profit or (loss) for the year	GBP	-3.57	-1.52
Impact of ₹1 strengthening on profit or (loss) for the year	MXN	305.28	242.31
Impact of ₹1 weakening on profit or (loss) for the year	MXN	-305.28	-242.31

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

The Company has several balances in foreign currency and consequently the company is exposed to foreign exchange risk. The exchange rate between the rupee and foreign currencies has changed substantially in recent years, which has affect on the results of the Company, and may fluctuate substantially in the future. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities based on gross exposure and the unhedged foreign currency exposures outstanding at the end of reporting period is as under:

Currency	**Assets**		**Liabilities**	
	As at 31 March 2025	**As at 31 March 2024**	**As at 31 March 2025**	**As at 31 March 2024**
USD	**4,092.10**	4,556.99	**642.67**	462.53
JPY	**364.33**	1,371.48	**143.08**	391.50
Euro	**1,291.57**	955.67	**241.37**	231.26
CNY	**-**	179.40	**-**	-
GBP	**395.49**	159.75	**-**	-
Mexico	**1,652.29**	1,392.43	**371.15**	173.19

Forward Exchange Contracts

The Company enters into foreign exchange forward contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than the Indian Rupee. The counter party to the Company's foreign currency Forward Contracts is generally a bank. These contracts are entered into to hedge the foreign currency risks of certain forecasted transactions. Forward exchange contracts in USD exposure are USD to INR and for EUR exposure are EUR to INR. These contracts are for a period of two years.

The following are the various outstanding foreign currency to Indian currency forward contracts (Sell) entered into be the company which has been designated as cash flow hedges:

		Amount outstanding in Foreign currency		**Fair Value Gain / (Loss)**	
	Currency	**As at 31 March 2025**	As at 31 March 2024	**As at 31 March 2025**	As at 31 March 2024
Type of cover					
Forward	USD to INR	**19.45**	16.87	**(15.26)**	30.83
	EUR to INR	**20.90**	13.47	**8.18**	1.48

The movement in hedging reserve for derivatives designated as Cash Flow Hedges is as follows:

Particulars	**As at 31 March 2025**	As at 31 March 2024
Credit / (Debit) balance at the beginning of the year	**24.63**	0.44
Gain / (loss) net transferred to income statement on occurrence of forecasted hedge transaction	**-**	-
Changes in fair value of effective portion of cash flow derivative occurred during the year	**-**	-
Changes in fair value of effective portion of outstanding cash flow derivative	**(7.08)**	32.33
Tax impact on effective portion of outstanding cash flow derivative	**1.78**	(8.14)
Credit/(Debit) balance at the end of the year	**19.33**	24.63

Credit Risk Management

Credit Risk refers to the risk for a counter party default on its contractual obligation resulting a financial loss to the Group. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risk. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The maximum exposure of the financial assets represents trade receivables.

Credit risk on trade receivables is limited as the customers of the Company mainly consists of the entities having a strong credit worthiness. For doubtful receivables the Company uses a provision matrix to compute the expected credit loss allowances for trade receivables. The provision matrix takes into account ageing of accounts receivables and the company's historical experience of the customers and financial conditions of the customers.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily are investment in liquid mutual fund units issued by institutions with high credit ratings.

Liquidity Risk Management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments.

	As at 31 March 2025		As at 31 March 2024	
	Accounts payable and acceptances	**Other financial liabilities**	Accounts payable and acceptances	Other financial liabilities
Carrying amount	**611.17**	**591.43**	886.98	627.61
upto 1 year	**611.17**	**583.18**	886.98	626.72
More than 1 year	**-**	**8.25**	-	0.89
Total contracted cash flows	**611.17**	**591.43**	886.98	627.61

The table below provides details of financial assets:

	As at 31 March 2025	As at 31 March 2024
Trade receivables	**7,371.24**	7,017.67
Other financial assets	**8,597.26**	6,742.55

38. Leases

The company has recognized a right of use asset and lease liability with respect to leasehold premises being used as office premises.

38.1 The table below shows the movement of lease liabilities during the year:

Particulars	**As at 31 March 2025**	As at 31 March 2024
Opening Balances	975.94	-
Additions during the year	71.42	1,287.07
Finance cost accrued during the year	87.96	120.53
Payment of lease liabilities	-470.11	-431.66
Foreign Exchange movement	3.73	-
Closing balances	668.94	975.94

38.2 The table shows below provides details regarding the Contractual maturities of lease liabilities of lease liabilities as on undiscounted basis:

Particulars	**As at 31 March 2025**	As at 31 March 2024
Up to 1 year	377.97	372.40
1-5 years	290.97	603.54
Above 5 years	-	-

38.3 The following are the amounts recognised in statement of profit or loss:

Particulars	**Year ended 31 March 2025**	Year ended 31 March 2024
Depreciation expense on ROU	413.24	403.90
Interest expense on lease liabilities	87.96	120.53
Expenses relating to short term leases or lower value asset	31.23	42.81

39. Disclosure on cash and non-Cash changes for liabilities arising from financing activities:

Mention below are the components of liabilities related to financing activities in cash flow for the year ending 31 March, 2025 and the year ending 31 March, 2024.

				Non-cash changes		
Lease liability	**Opening balance**	**Additions**	**Cash flow**	**Net Additions to lease liability**	**Foreign Exchange movement**	**Closing balance**
As at 31 March, 2025	975.94	71.42	(470.11)	87.96	3.73	668.94
As at 31 March, 2024	-	1,287.07	(431.66)	120.53	-	975.94

40. Earning per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follow.

	Year ended 31 March 2025	Year ended 31 March 2024
Profit for the year attributable to owners of the Company	**6,144.13**	5,257.00
Earnings used in the calculation of basic earnings per share	**6,144.13**	5,257.00
Weighted average number of equity shares outstanding during the year	**70,88,960**	70,88,960
Face Value of Equity Shares - ₹	**10**	10
Basic and Diluted Earnings per Share*	**86.67**	74.16

*The Company has no potential dilutive instruments

41. Ratios

S. No.	**Ratio**	**Numerator**	**Denominator**	**31 March 2025**	**31 March 2024**	**% Variance**
a)	Current ratio	Current Assets	Current Liabilities	6.36	4.71	35%
b)	Debt equity ratio*	-	-	-	-	-
c)	Debt service coverage ratio*	-	-	-	-	-
d)	Return on equity [#]	Net Profits after taxes	Average Shareholder's Equity	8.67	7.42	17%
e)	Inventory turnover ratio*	-	-	-	-	-
f)	Trade receivables turnover ratio	Revenue	Average Trade Receivable	5.23	5.15	2%
g)	Trade payables turnover ratio	Purchases of services and other expenses	Average Trade Payables	6.18	6.06	2%
h)	Net capital Turnover ratio	Revenue	Working Capital	0.93	1.14	-18%
i)	Net profit ratio [##]	Net Profit	Revenue	0.15	0.13	16%
j)	Return on capital employed	Earning before interest and taxes	Capital Employed	0.11	0.12	-11%
k)	Return on investment [###]					
	Quoted	Income generated from investments	Average investments	0.07	0.07	-8%

*These ratios are not applicable to the company at present.

Reasons for Variance

#	Return on equity :	The variance is due to increase of Total Income and reversal of earlier year tax expense
##	Net profit ratio :	The variance is due to Increase in total income, decrease of expenses and reversal of earlier year tax expense
###	Return on investment :	Due to increase in the fair value of investment during the FY 2023-24

42. Corporate social responsibility

		Year ended 31 March 2025	Year ended 31 March 2024
i)	Amount required to be spent by the Company during the Year	70.96	54.56
ii)	Amount of expenditure incurred	71.00	54.59
iii)	Shortfall at the end of the year	-	-
iv)	Total of previous years shortfall	-	-
v)	Reasons for shortfall	-	-
vi)	Details of related party transactions (Refer Note below)	71.00	54.59
vii)	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.	-	-
viii)	Nature of CSR activities	Contribution is made to Tech Mahindra Foundation (TMF). The TMF has been focusing on implementation projects related to of education and employability.	

42.1 Represents contribution to Tech Mahindra Foundation

43. Additional Regulatory and Other Information which are required to be disclosed under Division - II of Schedule III to the Companies Act, 2013,

a) The Company does not own any immovable property, investment property and intangible assets under development.

b) The Company does not have any borrowings from banks or financial institutions.

c) The Company does not have any balance under Capital work in progress.

d) The Company has not revalued its Property, Plant and Equipment (including the Right of use assets) and other intangible assets during the year under review.

e) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPS and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person that are repayable on demand; or without specifying any terms or period of repayment.

f) No Proceeding has been initiated or pending against the company under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

g) The Company is not a declared wilful defaulter by any Bank or Financial Institution or other lender.

h) The Company has no transactions with companies struck off under Sec.248 of the companies Act, 2013 or Sec.560 of the Companies Act, 1956.

i) The Company has complied with the number of layers prescribed under Clause 87 of Sec.2 of the Act read with the Companies (Restriction on number of layers) Rules 2017.

j) During the year, no scheme of arrangements has been approved by the competent authority in terms of Sec.230 to 237 of the Act, in which the company is a party.

k) A). The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B). 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 (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

l) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income tax act, 1961 that has not been recorded in the books of account.

m) The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

for and on behalf of the Board of

Satyam Venture Engineering Services Private Limited

CIN: U72200TG2000PTC033213

R. V. Narasimham	**J. Venkateswarlu**	**Rao. S. Vadlamudi**
Chairman	Director	CEO
DIN: 00339167	DIN: 00051001	
Srinivas R		
Hyderabad, 18 April 2025	CFO	

INDEPENDENT AUDITOR'S REPORT

To the Members of

Satyam Venture Engineering Services Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Satyam Venture Engineering Services Private Limited** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2025, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31 March 2025, their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows and for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements 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 Consolidated Financial Statements" section of our report. We are independent of the Group 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 consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with the these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained by us and audit evidence obtained by the other auditors in terms of their reports referred to in the Other matters section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to the following notes in the consolidated financial statements:

a) Note 30.2 regarding reckoning of ₹ 38,974.50 Lakhs (31 March 24: ₹ 35,354.40 Lakhs) as contingent liability, towards any possible charge that may arise in respect of ongoing dispute between the promoters, for the period from 01 April 2012 to 31 March 2025 based on legal advice and for reasons stated in the said note notwithstanding the status of litigation between the promoters on various issues relating to the Shareholders Agreement, the outcome of which is not determinable at this stage; and

b) Note 31 regarding drawing up of accounts for the year incorporating opening balances based on the financial statements of earlier years which have not been adopted by the shareholders.

Our opinion is not modified in respect of these matters.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Directors 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, management the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility 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 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 consolidated 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 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 fair presentation.

- 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 audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

Other Matters

a. We did not audit the financial statements of three subsidiaries whose financial statements reflect total assets of ₹ 2,049.36 Lakhs and net assets of ₹ 1,754.90 Lakhs as at 31 March 2025, total revenues of ₹ 2,572.26 Lakhs and net cash inflows amounting to ₹ 127.20 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates the aforesaid subsidiaries is based solely on the reports of the other auditors.

   Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

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 Act, based on our audit and the other financial information, we give in the "Annexure A" as statement on the matters specified in paragraph 3(xxi) of the order.

2. A. As required by Section143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements;

   (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

   (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the rules issued thereunder;

   (e) the matter relating to contingent liability described in paragraph (a) under the Emphasis of Matters above, in our opinion, may have an adverse effect on the functioning of the Group;

(f) on the basis of written representations received from the directors of the Holding Company as on 31 March 2025, and taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

(g) with respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and

B. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'Other matter' paragraph:

i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer note 30 to the consolidated financial statements;

ii. The Group does not have any material foreseeable losses relating to long term contracts including derivate contracts as on 31 March 2025. No provision is made in respect of the contingent liability described under note 30.2 of the Consolidated financial statements since the matters involving these litigations are sub-judice at present, the impact of these pending litigations on its financial position could not be stated in the Consolidated Financial Statements.; and

iii. there are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2025.

iv. (i) the respective managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented that, to the best of their 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 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;

(ii) the respective management of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have 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 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

(iii) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material mis-statement.

v. The Group has not declared or paid any dividend during the year.

vi. Based on our examination which included test checks, the holding 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. Additionally, the audit trial has been preserved by the Holding Company as per the statutory requirements for record retention

The subsidiaries of the Company are incorporated outside India and reporting under the Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is not applicable in respect of these subsidiaries incorporated outside India. Therefore, we are unable to comment on the reporting requirement under Rule (11)g of the Companies (Audit and Auditors) Rules, 2014 in respect of these two subsidiaries.

C. 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 provisions of Section 197 of the Act and the rules thereunder are not applicable to the Holding Company.

for M. Bhaskara Rao & Co.
Chartered Accountants
Firm Registration No.000459S

P. Swathi
Partner
Membership No.513946
UDIN: 25513946BMNPYU6458

Hyderabad, 18 April 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph '1' under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Satyam Venture Engineering Services Private Limited)

3(xxi) According to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report that in respect of those companies where audits have been completed under section 143 of the Act, there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except for the following:

S. No.	Name of the Company	CIN	Nature of relationship	Clause number of the CARO report which is qualified or adverse
1	Satyam Venture Engineering Services Private Limited	U72200TG2000PTC033213	Holding	Clause vii(b)

for M. Bhaskara Rao & Co.
Chartered Accountants
Firm Registration No.000459S

P. Swathi
Partner
Membership No.513946
UDIN: 25513946BMNPYU6458

Hyderabad, 18 April 2025

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Satyam Venture Engineering Services Private Limited)

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to Consolidated Financial Statements of **Satyam Venture Engineering Services Private Limited** ("the Holding Company"). The subsidiary companies are companies incorporated outside India.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company, are 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidatd Financial Statements of the Holding 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 ICAI 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 with reference to Consolidated Financial Statements. 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 with reference to Consolidated Financial Statements 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 with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 with reference to Consolidated Financial Statements of the Company.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, 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 with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference

to Consolidated Financial Statements 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 explanation given to us, the Holding Company has in all material aspects, an adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as on 31 March 2025, based on the criteria for internal control with reference to Consolidated Financial Statements established by the Company considering the essential components of internal control stated in Guidance Note of Internal Financial Controls Over Financial Reporting issued by ICAI

for M. Bhaskara Rao & Co.
Chartered Accountants
Firm Registration No.000459S

P. Swathi
Partner
Membership No.513946
UDIN: 25513946BMNPYU6458

Hyderabad, 18 April 2025

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2025

All amounts are Rupees in lakhs unless otherwise stated

Particulars	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	4	**450.86**	367.45
(b) Right of Use Assets	5	**598.09**	937.51
(c) Other intangible assets	6	**539.04**	97.82
(d) Financial assets			
(i) Other financial assets	7	**433.90**	2,785.67
(e) Deferred tax assets (net)	8	**-**	107.70
(f) Non-current tax assets (net)	10	**4,315.55**	4,717.06
Total Non-Current Assets		**6,337.46**	9,013.21
Current Assets			
(a) Financial assets			
(i) Investments	9	**20,925.80**	15,021.79
(ii) Trade receivables	11	**7,682.38**	7,311.66
(iii) Cash and cash equivalents	12	**3,765.42**	6,679.01
(iv) Other bank balances	13	**9,798.66**	10,569.96
(v) Other financial assets	7	**8,438.05**	3,947.32
(b) Other current assets	14	**2,583.51**	2,222.83
Total Current Assets		**53,193.81**	45,752.58
Total Assets		**59,531.27**	54,765.79
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	**708.90**	708.90
(b) Other equity	16	**48,609.80**	42,396.43
Total Equity		**49,318.70**	43,105.33
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	19	**290.97**	603.54
(ii) Other financial liabilities	20	**8.25**	0.89
(b) Deferred tax liabilities (net)	8	**253.16**	-
(c) Provisions	17	**1,289.39**	1,430.61
Total Non-Current Liabilities		**1,841.77**	2,035.04

Particulars	Note	As at 31 March 2025	As at 31 March 2024
Current Liabilities			
(a) Financial liabilities			
(i) Trade payables	18		
(A) Total outstanding dues of micro enterprises and small enterprises; and		**2.95**	11.97
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		**730.61**	992.47
(ii) Lease Liabilities	19	**377.97**	372.40
(iii) Other financial liabilities	20	**588.34**	630.94
(b) Other current liabilities	21	**700.28**	793.79
(c) Provisions	17	**5,595.13**	5,635.95
(d) Current tax liabilities (Net)	22	**375.51**	1,187.88
Total Current Liabilities		**8,370.80**	9,625.40
Total Equity and Liabilities		**59,531.27**	54,765.79
Corporate information	1		
Material accounting policies	2		
See accompanying notes forming part of the Consolidated financial statements	3 to 42		

In terms of our report attached
for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

for and on behalf of the Board of
Satyam Venture Engineering Services Private Limited
CIN: U72200TG2000PTC033213

P Swathi	**R.V. Narasimham**	**J.Venkateswarlu**	**Rao.S.Vadlamudi**
Partner	Chairman	Director	CEO
Membership No.513946	DIN: 00339167	DIN: 00051001	
	Srinivas R		
Hyderabad, 18 April 2025	CFO		

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025

All amounts are Rupees in lakhs unless otherwise stated

Particulars	Note	Year ended 31 March 2025	Year ended 31 March 2024
Income			
Income from operations	23	**39,221.98**	38,263.46
Other income	24	**2,463.24**	2,558.50
Total Income		**41,685.22**	40,821.96
Expenses			
Employee benefits expense	25	**28,512.17**	27,546.89
Sub contracting costs		**491.51**	639.37
Finance costs	26	**87.96**	428.79
Depreciation and amortisation expense	27	**804.32**	856.01
Other expenses	28	**4,885.56**	4,847.39
Total Expenses		**34,781.51**	34,318.44
Profit before tax		**6,903.71**	6,503.52
Tax Expense	29		
Current tax		**1,504.90**	1,633.98
Earlier years tax		**(880.10)**	(580.41)
Deferred tax		**300.65**	186.57
Total tax expense		**925.45**	1,240.15
Profit for the period		**5,978.26**	5,263.37
Other comprehensive income / (loss)			
A. Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		**246.27**	(50.99)
Income tax on above items	29	**(61.98)**	12.83
		184.29	(38.16)
B. Items that may be reclassified to profit or loss			
Exchange differences in translating the financial statements of foreign operations	16	**56.11**	(25.54)
Effective portion of gain / (loss) on Designated Portion of Hedging Instruments in a Cash Flow Hedge (net)		**(7.08)**	32.33
Income tax on above items	29	**1.78**	(8.14)
		50.81	(1.35)
Other comprehensive income / (loss) for the period		**235.10**	(39.51)
Total comprehensive income for the period		**6,213.36**	5,223.86

Particulars	Note	Year ended 31 March 2025	Year ended 31 March 2024
Total comprehensive income for the period attributable to:			
Owners of the Company		**6,213.36**	5,223.86
Non controlling interests		**-**	-
Earnings per equity share	40		
Basic and Diluted - (In ₹ per share)		**84.33**	74.25
Corporate information	1		
Material accounting policies	2		
See accompanying notes to the consolidated financial statements	3 to 42		

In terms of our report attached
for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

for and on behalf of the Board of
Satyam Venture Engineering Services Private Limited
CIN: U72200TG2000PTC033213

P Swathi	**R.V. Narasimham**	**J.Venkateswarlu**	**Rao.S.Vadlamudi**
Partner	Chairman	Director	CEO
Membership No.513946	DIN: 00339167	DIN: 00051001	
	Srinivas R		
Hyderabad, 18 April 2025	CFO		

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

All amounts are Rupees in lakhs unless otherwise stated

		Note	Year Ended 31 March 2025	Year Ended 31 March 2024
A.	**Cash flow from operating activities**			
	Profit for the period		**6,903.71**	6,503.52
	Adjustments for			
	Interest income recognised in profit or loss		**(1,075.63)**	(842.02)
	Interest on Security Deposit recognised in Profit or loss		**(16.08)**	(14.03)
	Interest on Lease Liability		**87.96**	120.53
	Loss / (Profit) on sale of fixed assets		**(2.86)**	(6.84)
	Depreciation and amortisation of non-current assets		**804.32**	856.01
	Net (Gain) / Loss on sale of investments		**(12.94)**	-
	Net foreign exchange (gain) / loss		**(1.12)**	(41.26)
	Provision for doubtful receivables		**-**	46.62
	Fair value measurements		**(1,207.07)**	(1,002.26)
	Operating profit / (loss) before working capital changes		**5,480.28**	5,620.26
	Changes in working capital:			
	Adjustments for (increase) / decrease in operating assets:			
	Trade Receivables		**(370.71)**	278.44
	Other Non-Current Financial Assets		**(4.33)**	2.92
	Other Current Financial Assets		**(2,084.45)**	(507.03)
	Other Current Assets		**(360.68)**	(717.36)
	Adjustments for increase / (decrease) in operating liabilities:			
	Non-Current Provisions		**(141.22)**	146.10
	Trade Payables		**(269.55)**	272.99
	Current Provisions		**261.56**	(44.24)
	Other Financial Liabilities		**(37.19)**	52.50
	Other Current Liabilities		**(93.50)**	273.17
	Cash generated from operations		**2,380.20**	5,377.75
	Income Tax paid (Net)		**(1,035.67)**	604.82
	Net cash flow from / (used in) operating activities (A)		**1,344.53**	5,982.57
B.	**Cash flow from investing activities**			
	Payments for property, plant and equipment (including Capital Work in Progress)		**(913.92)**	(245.73)
	Proceeds from disposal of property, plant and equipment		**1.06**	14.78
	Foreign Currency translation adjustment (arising on consolidation)			
	Bank balances (Deposits) not considered as cash and cash equivalents			
	- Placed		**(10,281.99)**	(9,275.37)
	- Matured		**10,983.81**	7,149.88
	Current Investments			
	- Purchased		**(6,899.65)**	(1,849.91)
	- Proceeds from sale / redemption		**2,215.67**	-
	Interest received		**1,105.88**	627.96
	Net cash flow used in investing activities (B)		**(3,789.13)**	(3,578.39)

	Note	Year Ended 31 March 2025	Year Ended 31 March 2024
C. Cash flow from financing activities			
Repayment of Lease Liabilities		**(470.11)**	(431.66)
Net cash flow from / (used in) financing activities (C)		**(470.11)**	(431.66)
Net increase / (decrease) in cash and cash equivalents		**(2,914.70)**	1,972.51
Cash and cash equivalents at the beginning of the Period		**6,679.01**	4,665.24
Effect of exchange difference on cash and cash equivalents held in foreign currency		**1.12**	41.26
Cash and cash equivalents at the end of the Period *[Refer Note 12]*		**3,765.42**	6,679.01
Corporate information	1		
Material accounting policies	2		
See accompanying notes to the consolidated financial statements	3 to 42		

In terms of our report attached
for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

for and on behalf of the Board of
Satyam Venture Engineering Services Private Limited
CIN: U72200TG2000PTC033213

P Swathi	**R.V. Narasimham**	**J.Venkateswarlu**	**Rao.S.Vadlamudi**
Partner	Chairman	Director	CEO
Membership No.513946	DIN: 00339167	DIN: 00051001	
	Srinivas R		
Hyderabad, 18 April 2025	CFO		

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH, 2025

All amounts are Rupees in lakhs unless otherwise stated

A. Equity Share Capital

	As at 31 March 2025	As at 31 March 2024
Issued and paid up equity share capital		
Balance at the beginning of the current reporting period	**708.90**	708.90
Changes in Equity Share Capital due to prior period errors	**-**	-
Restated balance at the beginning of the current reporting period	**708.90**	708.90
Changes in equity share capital during the current year	**-**	-
Balance at the end of the current reporting period	**708.90**	708.90

B. Other Equity

Particulars	Reserves & Surplus			Items of other comprehensive income / (loss)			Total
	General Reserve	Statutory Reserve	Retained earnings	Remeasurement of defined benefit plan	Exchange differences in translating the financial statements of foreign operations	Cash Flow Hedge Reserve	
Balance as at 31 March 2023	12.50	30.19	36,520.78	406.29	202.37	0.44	37,172.57
Profit for the period	-	-	5,263.37	-	-	-	5,263.37
Other Comprehensive Income (net of tax)	-	-	-	(38.16)	(25.53)	24.19	(39.50)
Total comprehensive income for the year	**-**	**-**	**5,263.37**	**(38.16)**	**(25.53)**	**24.19**	**5,223.86**
Transfer to / from during the year	-	-	-	-	-	-	-
Balance as at 31 March 2024	**12.50**	**30.19**	**41,784.15**	**368.13**	**176.84**	**24.63**	**42,396.44**
Profit for the year	-	-	5,978.26	-	-	-	5,978.26
Other Comprehensive Income (net of tax)	-	-	-	184.29	56.11	(5.30)	235.10
Total comprehensive income for the year	**-**	**-**	**5,978.26**	**184.29**	**56.11**	**(5.30)**	**6,213.36**
Transfer to / from during the year	-	-	-	-	-	-	-
Balance as at 31 March 2025	**12.50**	**30.19**	**47,762.41**	**552.43**	**232.94**	**19.34**	**48,609.80**

Corporate information	1
Material accounting policies	2
See accompanying notes to the consolidated financial statements	3 to 42

In terms of our report attached
for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

P Swathi
Partner
Membership No.513946

Hyderabad, 18 April 2025

for and on behalf of the Board of
Satyam Venture Engineering Services Private Limited
CIN: U72200TG2000PTC033213

R.V. Narasimham
Chairman
DIN: 00339167

J. Venkateswarlu
Director
DIN: 00051001

Rao S. Vadlamudi
CEO

Srinivas R
CFO

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

All amounts are Rupees in lakhs unless otherwise stated

1. Corporate Information

Satyam Venture Engineering Services Private Limited ("the Company") was incorporated in March 2000 as a 50:50 joint venture between erstwhile Satyam Computer Services Limited (SCSL) and Venture Global Engineering LLC. SCSL was merged with Tech Mahindra Limited in the year 2013, consequent to a scheme of amalgamation and arrangement as approved by the Hon'ble High Court of Judicature Andhra Pradesh and Hon'ble High Court of Bombay.

The Company provides engineering services such as product design, tool design and computer aided engineering simulation services to automotive industry across the globe, through its Indian operations and through its foreign branches in USA, Germany, Canada, United Kingdom,Japan and Mexico.

The Consolidated financial statements reflect the results of its operations carried on by Indian operations, overseas branches and its subsidiaries incorporated in China, Germany and Japan collectively referred to as the "Group".

The Company is a private limited incorporated and domiciled in India. The address of the registered office is 1-8-301-306, Ashoka My Home Chambers, 3rd Floor, S P Road, Secunderabad - 500003, Telangana State, India.

The consolidated financial statements for the year ended 31 March 2025 were approved by the Board of Directors and authorised to issue on 18 April 2025.

2. Material accounting policies:

2.1 Statement of Compliance:

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and amendments issued thereafter.

2.2 Basis for preparation of financial statements:

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards are presented in Indian Rupees ("INR") which is also the Company's functional currency. All the amounts have been reported in Indian Rupees lakhs, except for share and earnings per share data, unless otherwise stated. These consolidated financial statements have been prepared on accrual basis under the historical cost convention, except for certain financial instruments which are measured at fair value at the end of each reporting period. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

The statement of cash flows has been prepared under indirect method whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future opening cash receipt or payments and items of income or expense assoicated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated. The Company considers all highly liquid investments that are readily convertable to known amounts of cash to be cash equivalents.

2.3 Basis for accounting:

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company's normal operating cycle is twelve months.

Current/ non-current classification:

The Company classifies an asset as current asset when:

1. it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
2. it holds the asset primarily for the purpose of trading;
3. it expects to realise the asset within twelve months after the reporting period; or

4. the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when –

1. it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
2. it holds the liability primarily for the purpose of trading;
3. the liability is due to be settled within twelve months after the reporting period; or
4. it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

In estimating the fair value of an asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purpose in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36.

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

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

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

Level 3 inputs are unobservable inputs for the asset or liability.

2.4 Basis of Consolidation:

The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed or has rights to variable returns from its involvement with the entity and has ability to affect the entity's returns by using its power over the entity.

Subsidiaries are consolidated from the date control commences until the date control ceases.

The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

All inter-company transactions, balances and income and expenses are eliminated in full on consolidation.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

2.5 Use of Estimates:

The preparation of consolidated financial statements requires the management of the Group to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the consolidated financial statements, and the reported amounts of income and expenses during the reported period. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the consolidated financial statements.

2.6 Property, Plant & Equipment and Other Intangible assets:

Property, Plant & Equipment and Other intangible assets are stated at actual cost less accumulated depreciation/ amorisation and net of impairment. The actual cost capitalised includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction / installation stage.

Depreciation / amortization of Property, Plant & Equipment and Other Intangible assets:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation / amortisation on Property, Plant & Equipment and other intangible assets including assets taken on lease, other than freehold land is charged based on straight line method on an estimated useful life as assessed based on technical advice, considering the nature of the asset, estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Plant and Machinery (including Computers)	3 years
Office Equipment	3 years
Furniture, Fixtures and Interiors	3 years
Vehicles	3 years
Intangible Assets - Software	License period or 3 years whichever is lower

The estimated useful lives and residual values of the Property, Plant & Equipment and other intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment and other intangible asset is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arriving on the disposal or retirement of an item of PPE or other intangible asset is determined as the difference between sale proceeds and the carrying amount of the asset and is recognized in the consolidated statement of profit or loss.

2.7 Leases:

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Group as a lessee :

The Parent and its subsidiaries assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves:

(a) the use of an identified asset,

(b) the right to obtain substantially all the economic benefits from use of the identified asset, and

(c) the right to direct the use of the identified asset.

The Group at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right- of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The Group applies Ind AS 36 to determine whether a RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets.

For lease liabilities at inception, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Group recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in consolidated statement of profit and loss.

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

2.8 Impairment of Assets:

i) Financial assets

Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Impairment loss on financial assets carried at amortised cost is measured at 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. In a subsequent period, if the amount of impairment loss decreases and the decreases can be related objectively to an event, the previously recognised impairment is reversed through profit or loss.

ii) Non-financial assets

Property, Plant & Equipment and Other Intangible assets

Property, Plant and Equipment and Other intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the consolidated statement of profit or loss.

2.9 Revenue recognition:

Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Arrangements with customers for services are either on a time bound fixed price or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

In arrangements for engineering services with customers, the company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering engineering services and other related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the company is unable to determine the standalone selling price, the Company uses the expected cost plus margin approach in estimating the standalone selling price.

For time and material related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

The Company accounts for volume discounts and pricing incentives, if any, to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives amount to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the Company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Deferred contract costs are incremental costs of obtaining a contract which are recognized as assets and amortized over the term of the contract.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company presents revenues net of indirect taxes in its consolidated statement of profit and loss.

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue for time and material contracts are recognized as related service are performed. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Revenue recognition for fixed price development contracts is based on percentage of completion method. Invoicing to the clients is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed price development contracts is classified as non financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

Invoicing in excess of earnings are classified as unearned revenue

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

2.10 Foreign currency transactions:

The functional currency of the Company and its Indian subsidiaries is Indian Rupees (INR) whereas the functional currency of foreign subsidiaries is the currency of their countries of domicile.

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the date of the Balance Sheet. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognised in the consolidated statement of profit or loss.

2.11 Foreign Operations:

For the purpose of these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising on translation are recognised in other comprehensive income and accumulated in equity.

2.12 Financial Instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

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

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in consolidated statement of profit or loss.

i) Non-derivative financial instruments

Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

Financial assets at amortised cost

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

Financial assets at fair value

Financial asset not measured at amortised cost are carried at fair value through profit or loss (FVTPL) on initial recognition, unless the company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income.

The Group, on initial application of IND AS 109 Financial Instruments, has made an irrevocable election to present in other comprehensive income subsequent changes in fair value of equity instruments not held for trading.

Financial asset at FVTPL are measured at fair values at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

Financial liabilities

Financial liabilities at fair value through profit and loss are stated at fair value, with any gains or losses arising on remeasurement recognised in consolidated statement of profit and loss.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ii) Derivative financial instruments and hedge accounting

The Company uses foreign currency forward contracts / options to hedge its risks associated with foreign currency fluctuations relating to certain forecasted transactions. The Company designates some of these forward contracts / options as hedge instruments and account for as cash flow hedges applying the recognition and measurement principles set out in the Ind AS 109.

The use of foreign currency forward contracts / options is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the Company's risk management strategy. The counter party to the Company's foreign currency forward contracts is generally a bank. The Company does not use derivative financial instruments for speculative purposes.

Foreign currency forward contract/ option derivative instruments are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in other comprehensive income and accumulated under effective portion of cash flow hedges and the ineffective portion is recognised immediately in the consolidated statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in effective portion of cash flow hedges are reclassified to the consolidated statement of profit or loss in the same period in which gains/ losses on the item hedged are recognised in the consolidated statement of profit or loss. However when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in effective portion of cash flow hedges are transferred from effective portion of cash flow hedges and included in the initial measurement of the cost of the nonfinancial asset or non-financial liability.

Profit or loss arising on cancellation or renewal of a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal occurs. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the Statement of Profit and Loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on the hedging instrument classified in effective portion of cash flow hedges is retained there and is classified to Statement of Profit and Loss when the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in effective portion of cash flow hedges is transferred to the consolidated statement of profit and loss for the period.

iii) Derecognition of financial instruments

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. The Company derecognises financial liabilities when, and only when, the Company's obligation are discharged,cancelled or have expired.

2.13 Employee Benefits:

a) Gratuity:

The Group 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 and its Indian subsidiaries. Actuarial gains and losses are recognised in full in other comprehensive income and accumulated in equity in the period in which they occur.

b) Provident fund:

The eligible employees of the Company and its Indian subsidiaries are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and the Company and its Indian subsidiaries make monthly contributions at a specified percentage of the covered employees' salary which are charged to the consolidated statement of profit and loss on accrual basis. The provident fund contributions are paid to the Regional Provident Fund Commissioner by the Company and its Indian subsidiaries.

The Company and its Indian subsidiaries has no further obligations for future provident fund and superannuation fund benefits other than its annual contributions.

c) Compensated absences:

The Group provides for the encashment of leave subject to Group's rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is provided based on the number of days of unavailed leave at each Balance Sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method for the Company and its Indian subsidiaries, whereas provision for encashment of unavailed leave on retirement is made on actual basis for foreign subsidiaries. The Company does not expect the difference on account of varying methods to be material.

The liability which is not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised based on actuarial valuation as at the Balance Sheet date.

Actuarial gains and losses are recognised in full in the consolidated statement of profit and loss in the period in which they occur.

The Group also offers a short term benefit in the form of encashment of unavailed accumulated compensated absence above certain limit for all of its employees and same is being provided for in the books at actual cost.

d) Other short term employee benefits:

Other short-term employee benefits such as overseas social security contributions and performance incentives expected to be paid in exchange for the services rendered by employees, are recognised in the consolidated statement of profit or loss during the period when the employee renders the service.

2.14 Taxation:

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to/recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the respective countries.

The current income tax expense includes taxes payable by the Company and its branches in India and overseas. The current tax payable by the Company in India income tax payable on worldwide income. Current income tax payable by overseas branches of the Company is computed in accordance with the tax laws applicable in the jurisdiction in which the respective branch operates. The proportionate credit for the taxes paid outside India are generally available for set off against the Indian income tax liabilities of the Company's worldwide income.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

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

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

The Group recognises interest levied and penalties related to income tax assessments in income tax expenses.

2.15Earnings per Share:

Basic earnings/ (loss) per share are calculated by dividing the net profit / (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued if any, during the year and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings / (loss) per share, the net profit / (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.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed to be converted as of the beginning of the period, unless issued at a later date.

2.16 Provision, Contingent Liabilities and Contingent Assets:

A provision is recognized when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. 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. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities and Contingent Assets are not recognized in the consolidated financial statements.

2.17 Critical judgements in applying accounting policies:

The following are the critical judgements, apart from those involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statement.

Key sources of estimation uncertainty:

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives of property, plant and equipment:

The Company reviews the estimated useful lives of property plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.

Fair value measurements and valuation processes:

Some of the Company's assets and liabilities are measured at fair value for the financial reporting purposes.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. Finance team works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Executive Officer reports to the board of fluctuations in the fair value of the assets and liabilities.

Provision for doubtful receivables:

The Company has adopted expected credit loss model for provisioning of receivables, apart from this the company also monitors long outstanding balances and make additional provision where required.

Provision for employee benefits:

The Company uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.

Provision for taxes:

Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid / recovered for uncertain tax positions.

3. Recent accounting pronouncements

There are no recent accounting pronouncements.

		As at 31 March 2025	As at 31 March 2024
4.	**Property, Plant and Equipment**		
	Carrying amounts of		
	Plant and Equipment (Refer Note: 4A)	**278.44**	336.42
	Office Equipments (Refer Note: 4A)	**133.05**	27.65
	Furniture & Interiors(Refer Note: 4A)	**39.36**	3.38
		450.86	367.45
5.	**Right of Use Assets**		
	Carrying amounts of:		
	Office Premises (Refer Note: 5A)	**598.09**	937.51
		598.09	937.51
6.	**Other Intangible assets**		
	Carrying amounts of:		
	Computer Software (Refer Note: 6A) (other than internally generated)	**539.04**	97.82
		539.04	97.82

4A Property, Plant and Equipment

	Gross Block (At Cost)					Accumalated Depreciation					Net Block
	As at 1 April 2024	Additions	Deletion / Adjustment	Effect of Foreign Currency Exchange Differences	Balance as at 31 March 2025	Upto 01 April 2024	For the quarter	Deletion / Adjustment	Effect of Foreign Currency Exchange Differences	Upto 31 March 2025	As at 31 March 2025
Plant and Machinery	2,864.54	158.21	185.34	-	**2,837.41**	2,528.12	217.40	186.67	-0.12	**2,558.97**	**278.44**
Office Equipment	449.73	141.53	22.64	-	**568.62**	422.08	36.60	23.11	-	**435.57**	**133.05**
Furniture & Interiors	359.49	51.77	1.60	-	**409.67**	356.11	15.79	1.60	-	**370.30**	**39.36**
Vehicles	52.51	-	18.80	-	**33.71**	52.51	-	18.80	-	**33.71**	**0.00**
Total	**3,726.26**	**351.52**	**228.38**	**-**	**3,849.41**	**3,358.82**	**269.78**	**230.17**	**-0.12**	**3,398.55**	**450.86**

	Gross Block (At Cost)					Accumalated Depreciation					Net Block
	As at 1 April 2023	Additions	Deletion / Adjustment	Effect of Foreign Currency Exchange Differences	Balance as at 31 March 2024	Upto 01 April 2023	For the year	Deletion / Adjustment	Effect of Foreign Currency Exchange Differences	Upto 31 March 2024	As at 31 March 2024
Plant and Machinery	3,015.11	179.47	330.04	-	2,864.54	2,571.02	292.26	335.04	0.11	2,528.12	336.42
Office Equipment	456.93	6.67	13.87	-	449.73	426.68	2.13	6.72	-	422.08	27.65
Furniture & Interiors	366.62	7.04	14.18	-	359.49	363.55	1.66	9.10	-	356.10	3.39
Vehicles	52.51	-	-	-	52.51	52.51	-	-	-	52.51	-
Total	**3,891.17**	**193.18**	**358.09**	**-**	**3,726.26**	**3,413.75**	**296.04**	**350.86**	**0.11**	**3,358.82**	**367.45**

5A Right of Use Assets

	Gross Block (At Cost)					Accumalated Depreciation					Net Block
	As at 1 April 2024	Additions	Deletion / Adjustment	Effect of Foreign Currency Exchange Differences	Balance as at 31 March 2025	Upto 01 April 2024	For the quarter	Deletion / Adjustment	Effect of Foreign Currency Exchange Differences	Upto 31 March 2025	As at 31 March 2025
Office Premises	1,341.41	73.89	1.20	-	1,414.10	403.90	413.23	1.1		816.01	598.09
Total	**1,341.41**	**73.89**	**1.20**	**-**	**1,414.10**	**403.90**	**413.23**	**1.12**	**-**	**816.01**	**598.09**

	Gross Block (At Cost)					Accumalated Depreciation					Net Block
	As at 1 April 2023	Additions	Deletion / Adjustment	Effect of Foreign Currency Exchange Differences	Balance as at 31 March 2024	Upto 01 April 2023	For the year	Deletion / Adjustment	Effect of Foreign Currency Exchange Differences	Upto 31 March 2024	As at 31 March 2024
Office Premises	-	1,341.41	-	-	1,341.41	-	403.90	-	-	403.90	937.51
Total	**-**	**1,341.41**	**-**	**-**	**1,341.41**	**-**	**403.90**	**-**	**-**	**403.90**	**937.51**

6A Other Intangible assets

	Gross Block (At Cost)					Accumalated Depreciation					Net Block
	As at 1 April 2024	Additions	Deletion / Adjustment	Effect of Foreign Currency Exchange Differences	Balance as at 31 March 2025	Upto 01 April 2024	For the quarter	Deletion / Adjustment	Effect of Foreign Currency Exchange Differences	Upto 31 March 2025	As at 31 March 2025
Software	5,283.30	562.52	1,029.90	-	4,815.91	5,185.47	121.30	1,029.90	-	4,276.87	539.04
Total	**5,283.30**	**562.52**	**1,029.90**	**-**	**4,815.91**	**5,185.47**	**121.30**	**1,029.90**	**-**	**4,276.87**	**539.04**

	Gross Block (At Cost)					Accumalated Depreciation					Net Block
	As at 1 April 2023	Additions	Deletion / Adjustment	Effect of Foreign Currency Exchange Differences	Balance as at 31 March 2024	Upto 01 April 2023	For the year	Deletion / Adjustment	Effect of Foreign Currency Exchange Differences	Upto 31 March 2024	As at 31 March 2024
Software	5,231.94	52.44	1.09	-	5,283.30	5,029.77	156.07	0.38	-	5,185.47	97.82
Total	**5,231.94**	**52.44**	**1.09**	**-**	**5,283.30**	**5,029.77**	**156.07**	**0.38**	**-**	**5,185.47**	**97.82**

7. Other Financial Assets measured at Amortised Cost

		As at 31 March 2025	As at 31 March 2024
I.	**Non-Current**		
	Other bank balances - in deposit accounts	**99.00**	2,454.33
	Security Deposits *[Refer note 7.2]*	**327.73**	307.33
	Foreign Currency Derivative Assets	**7.17**	24.01
Total		**433.90**	2,785.67
II.	**Current**		
	Other bank balances - in deposit accounts	**2,424.81**	-
	Unbilled revenue *[Refer note 7.1]*	**5,388.40**	3,303.95
	Interest Receivable on deposits	**595.60**	625.85
	Foreign currency Derivative Assets	**29.24**	17.51
Total		**8,438.05**	3,947.32
7.1	**Of the above, Unbilled revenue from:**		
(a)	Related parties *[Refer note 34]*	**2,377.81**	1,411.25
(b)	Others	**3,010.59**	1,892.70
		5,388.40	3,303.95

7.2 Include deposit of ₹67.83 Lakhs [31 March 2024 : ₹67.83 Lakhs] with CGITCLC and ₹ 58.24 Lakhs [31 March 2024: ₹ 58.24 Lakhs] with CESTAT in respect of the ongoing disputes *[Refer note 30A(ii) & (iv)]*

		As at 31 March 2025	As at 31 March 2024
8.	**Deferred tax assets / (liabilities) (Net)**		
	Deferred tax assets	**760.07**	924.45
	Deferred tax liabilities	**(1,013.23)**	(816.75)
	Total	**(253.16)**	107.70
	Presented as		
	Deferred tax assets (Net)	**-**	107.70
	Deferred tax liabilities (Net)	**253.16**	-

8.1 The tax effect of significant temporary differences that has resulted in deferred tax assets are given below:

a) For the year ended 31 March 2025

	PPE and Intangible assets	ROU Assets	Lease Liabilities	Provision for doubtful debts	Provision for defined benefit obligations	ICDS Adjustments: Interest on Income Tax	Cash Flow Hedging Reserve	Fair value gain on Mutual funds	Exchange difference in translating the financial statements of foreign operations	Total
Opening balance	226.93	(235.95)	245.63	11.76	440.13	(54.69)	(8.30)	(517.81)	0.00	107.70
Recognised in profit or loss	(32.16)	85.43	(77.27)	(11.76)	18.80	-	-	(283.68)	-	(300.65)
Recognised in other comprehensive income	-			-	(61.98)		1.78	-		(60.20)
Reclassified from equity to profit or loss	-			-	-	-	-	-	-	-
Closing Balance	**194.77**	**(150.53)**	**168.36**	**(0.00)**	**396.94**	**(54.69)**	**(6.51)**	**(801.49)**	**0.00**	**(253.16)**

b) For the year ended 31 March 2024

	PPE and Intangible assets	ROU Assets	Lease Liabilities	Provision for doubtful debts	Provision for defined benefit obligations	ICDS Adjustments: Interest on Income Tax	Cash Flow Hedging Reserve	Fair value gain on Mutual funds	Exchange difference in translating the financial statements of foreign operations	Total
Opening balance	244.17	-	-	14.02	396.28	(99.19)	(0.16)	(265.56)	0.00	289.57
Recognised in profit or loss	(17.24)	(235.95)	245.63	(2.26)	31.01	44.50	-	(252.25)		(186.57)
Recognised in other comprehensive income	-			-	12.83		(8.14)	-		4.70
Reclassified from equity to profit or loss				-	-	-	-	-	-	-
Closing Balance	**226.93**	**(235.95)**	**245.63**	**11.76**	**440.13**	**(54.69)**	**(8.30)**	**(517.81)**	**0.00**	**107.70**

9. Investments

		As at 31 March 2025		As at 31 March 2024	
		Units	**Amount**	**Units**	**Amount**
II	**Current Investments**				
A	**Investment in Mutual Funds-quoted**				
	(at fair value through profit or loss)				
	ICICI Prudential Savings Fund - DP Growth	**672982**	**3,631.55**	625749	3,125.94
	ICICI Prudential Liquid Fund - DP Growth	**264,173.28**	**1,014.15**	-	-
	ICICI Prudential Overnight Fund - DP Growth	**22,064.03**	**303.59**	-	-
	"HSBC Cash Fund Direct Growth Plan"	**100749**	**2,603.67**	116252	2,797.00
	HSBC Ultra Short Duration Fund Direct	**27822**	**374.77**	27822	347.93
	Kotak Liquid Fund Direct Plan Growth	**69672**	**3,650.41**	62884	3,068.14
	Kotak Overnight Fund Direct Plan Growth	**51620**	**703.14**		
	Kotak Low Duration Fund - Direct Growth	**16871**	**601.69**		
	SBI Liquid Fund Direct Growth	**91254**	**3,701.22**	73404	2,774.15
	HDFC Low Duration Fund - Direct Growth	**654426**	**400.97**		
	HDFC Liquid DP Growth Option	**77366**	**3,940.64**	61316	2,908.63
	Total		**20,925.80**		15,021.79
(a)	Aggregate amount of quoted investments and market value thereof;		**-**		-
(b)	Aggregate amount of unquoted investments		**20,925.80**		15,021.79
(c)	Aggregate amount of impairment in value of investments		**-**		-

10. Non-current tax assets (net)

	As at 31 March 2025	As at 31 March 2024
Advance income tax	**4,315.55**	4,717.06
(net of provisions ₹13,216.05 Lakhs [31 March 2024: ₹14,802.48 Lakhs])		
Total	**4,315.55**	4,717.06

11. Trade receivables

		As at 31 March 2025	As at 31 March 2024
(a)	Considered good - Secured	**-**	-
(b)	Considered good - Unsecured	**7,682.38**	7,311.66
(c)	Receivables which have significant increase in credit risk	**-**	-
(d)	Credit impaired	**-**	46.75
	Less: provision for expected credit loss	**-**	(46.75)
	Total	**7,682.38**	7,311.66

11.1 Of the above, trade receivables from:

		As at 31 March 2025	As at 31 March 2024
(a)	Related parties *[Refer note 34]*	**2,546.36**	1,139.26
(b)	Others	**5,136.01**	6,172.40
	Total	**7,682.38**	7,311.66

11.2 Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for trade receivables (other than receivables from related parties) that do not constitute a financing transaction. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Before accepting any new customer, the Company assesses the potential customer's credit quality.

The Average credit period on Sale of Services 60 days.

11.3 Age of Trade Receivables

		Outstanding for following periods from due date of payment as on 31 March 2025						
		Not Due	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
	Undisputed trade receivables							
(a)	- considered good	5,470.03	2,067.38	144.97	-	-	-	7,682.38
(b)	- which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	- credit impaired	-	-	-	-	-	-	-
	Disputed trade receivables							
(d)	- considered good	-	-	-	-	-	-	-
(e)	- which have significant increase in credit risk	-	-	-	-	-	-	-
(f)	- credit impaired	-	-	-	-	-	-	-

		Outstanding for following periods from due date of payment as on 31 March 2024						
		Not Due	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
	Undisputed trade receivables							
(a)	- considered good	6,887.52	401.26	22.88	-	-	-	7,311.66
(b)	- which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	- credit impaired	-	-	-	46.75	-	-	46.75
	Disputed trade receivables							
(d)	- considered good	-	-	-	-	-	-	-
(e)	- which have significant increase in credit risk	-	-	-	-	-	-	-
(f)	- credit impaired	-	-	-	-	-	-	-

11.4 Classification of trade receivables

	As at 31 March 2025	As at 31 March 2024
Non-Current	**-**	-
Current	**7,682.38**	7,311.66
Total	**7,682.38**	7,311.66

11.5 Movement in the allowance for expected credit loss

	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	**46.75**	55.73
Add: Allowance for expected credit loss	**-**	114.25
Less: Provision write back	**-**	123.23
Less: Receivables written off	**46.75**	-
Balance at the end of the period		
	-	46.75

12. Cash and cash equivalents

		As at 31 March 2025	As at 31 March 2024
Balances with Banks			
(a)	with Scheduled banks		
	in Current account	**735.61**	979.39
	in Deposit account	**430.00**	2,165.00
(b)	with Other banks		
	in Current account	**2,599.81**	3,534.62
Total		**3,765.42**	6,679.01

13. Other Bank Balances

	As at 31 March 2025	As at 31 March 2024
Balances with Banks		
with Scheduled banks		
in Deposit account	**9,798.66**	10,569.96
Total	**9,798.66**	10,569.96

14. Other assets

		As at 31 March 2025	As at 31 March 2024
I.	**Non-Current**		
	(Unsecured, considered good)		
	Capital advances	**-**	-
Total		**-**	-
I.	**Current**		
	Prepaid expenses	**969.43**	963.69
	Loans and Advances to Employees	**151.66**	214.87
	Balance with government authorities	**1,369.18**	931.23
	Contract assets	**34.00**	6.45
	Others	**59.24**	106.59
Total		**2,583.51**	2,222.83

14.1 Of the above, Other assets from:

		As at 31 March 2025	As at 31 March 2024
(a)	Related parties *[Refer note 34]*	**3.15**	-
(b)	Others	**2,580.36**	2,222.83
		2,583.51	2,222.83

15. Equity share capital

	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	**Amount**	Number of Shares	Amount
Authorised Share Capital				
Equity share capital of ₹10 each	**7,500,000**	**750.00**	7,500,000	750.00
Issued, Subscribed and Fully Paid up				
Equity share capital of ₹10 each	**7,088,960**	**708.90**	7,088,960	708.90

15. 1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting period.

	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	**Amount**	Number of Shares	Amount
Equity share capital of ₹10 each				
Balance as at beginning of the year	**7,088,960**	**708.90**	7,088,960	708.90
Issued during the year	**-**	**-**	-	-
Balance as at end of the year	**7,088,960**	**708.90**	7,088,960	708.90

15. 2 Shares held by holding/ultimate holding Company and/or their subsidiaries/associates

	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	Amount	Number of Shares	Amount
Equity shares of ₹ 10 each fully paid held by				
Tech Mahindra Limited	**3,544,480**	**354.45**	3,544,480	354.45
Venture Global Engineering Services LLC	**3,544,480**	**354.45**	3,544,480	354.45

15. 3 Details of shares held by each shareholders holding more than 5% shares in the Company

	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity shares of ₹ 10 each fully paid held by				
Tech Mahindra Limited	**3,544,480**	**50%**	3,544,480	50%
Venture Global Engineering Services LLC	**3,544,480**	**50%**	3,544,480	50%

15. 4 Details of shares held by promoters

	As at 31 March 2025		
	Number of Shares	% of total shares	% Change during the year
Equity shares of ₹10 each fully paid held by			
Tech Mahindra Limited	**3,544,480**	**50%**	**-**
Venture Global Engineering Services LLC	**3,544,480**	**50%**	**-**

	As at 31 March 2024		
	Number of Shares	% of total shares	% Change during the year
Equity shares of ₹10 each fully paid held by			
Tech Mahindra Limited	3,544,480	50%	-
Venture Global Engineering Services LLC	3,544,480	50%	-

15. 5 Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The percentage of shareholding shall be maintained as set out in Article 4 of Articles of Association and the fresh issue to be offered to both the shareholders in proportion to their shareholding. Any shares not accepted shall in the first instance be offered to the other remaining member and affiliates nominated by thereof.

16. Other equity

		As at 31 March 2025	As at 31 March 2024
	General Reserve	**12.50**	12.50
	Statutory Reserve	**30.19**	30.19
	Retained Earnings	**47,762.41**	41,784.15
	Other Components of Equity		
	Remeasurement of the defined benefits plans	**552.43**	368.13
	Exchange difference in translating the financial statements of foreign operations (Net of tax)	**232.94**	176.83
	Cash Flow Hedging Reserve (Net of tax)	**19.34**	24.63
	Total	**48,609.80**	42,396.43
16.1	**General Reserve** *[Refer note 16.5]*		
	Balance at beginning of year	**12.50**	12.50
	Balance at beginning of year	**-**	-
	Balance at beginning of year	**12.50**	12.50
16.2	**Statutory Reserve** *[Refer note 16.6]*		
	Balance at beginning of year	**30.19**	30.19
	Movement during the year	**-**	-
	Balance at end of year	**30.19**	30.19
16.3	**Retained Earnings** *[Refer note 16.7]*		
	Balance at beginning of year	**41,784.15**	36,520.78
	Profit attributable to owners of the Company	**5,978.26**	5,263.37
	Transferred to Statutory Reserve	**-**	-
	Balance at end of year	**47,762.41**	41,784.15
16.4	**Other Components of Equity**		
a)	**Remeasurement of the defined benefits plans** *[Refer note 16.8]*		
	Opening balance	**368.13**	406.30
	Movement during the year (Net of tax)	**184.29**	(38.16)
	Balance at end of year	**552.43**	368.13
b)	**Exchange difference in translating the financial statements of foreign operations** *[Refer note 16.9]*		
	Opening balance	**176.83**	202.37
	Movement during the year (Net of tax)	**56.11**	(25.54)
	Balance at end of year	**232.94**	176.83
c)	**Cash Flow Hedging Reserve** *[Refer note 16.10]*		
	Opening balance	**24.63**	0.44
	Movement during the year (Net of tax)	**(5.30)**	24.19
	Balance at end of year	**19.34**	24.63

16.5 The Company has transferred the amount from capital reserve upon fulfilment of the contribution attached to the investment subsidy received in earlier years.

16.6 The Statutory Reserve is created out of retained earnings as a prerequisite to distribute dividend to a foreign shareholder as per the requirement of local laws of Republic of China.

16.7 Retained earning represents the Company's undistributed earnings after taxes.

16.8 It represents the actuarial gain / (loss) recognised on the defined benefit plan and will not be reclassified to retained earnings.

16.9 It represents the exchange difference accumulated when the foreign operations financial statements are converted from their functional currency to presentation currency of the Company.

16.10 It represents accumulated effective portion of changes in fair value of the derivative and will be transferred to statement of Profit and Loss upon occurance of related forcasted transaction.

16.11 Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

17. Provisions

		As at 31 March 2025	As at 31 March 2024
I	**Non-Current**		
	Provision for Employee Benefits		
	Compensated Absences	**256.14**	297.79
	Gratuity	**1,033.25**	1,132.82
	Total	**1,289.39**	1,430.61
II	**Current**		
	Provision for Employee Benefits		
	Compensated Absences	**79.85**	106.63
	Gratuity	**223.86**	237.90
	Provision for Contingencies *[Refer note 30.2]*	**5,291.42**	5,291.42
	Total	**5,595.13**	5,635.95

18. Trade Payables

	Amounts due to micro and small enterprises (Refer 18.2)	**2.95**	11.97
	Others	**730.61**	992.47
	Total	**733.56**	1,004.44

18.1	**Of the above, Trade payables from:**		
(a)	Related parties *[Refer note 34]*	**140.72**	29.51
(b)	Others	**592.84**	974.93
		733.56	1,004.44

18.2 Ageing of Trade Payables

	Outstanding for following periods from due date of payment as on 31 March 2025					
	Not Due	**Less than 1 Year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
MSME	**2.95**	**-**	**-**	**-**	**-**	**2.95**
Others	**665.27**	**65.34**	**-**	**-**	**-**	**730.61**
Disputed dues - MSME	**-**	**-**	**-**	**-**	**-**	**-**
Disputed dues - Others	**-**	**-**	**-**	**-**	**-**	**-**

	Outstanding for following years from due date of payment as on 31 March 2024					
	Not Due	**Less than 1 Year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
MSME	11.97	-	-	-	-	11.97
Others	875.25	117.22	-	-	-	992.47
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

18.2 The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the MSMED Act, 2006) claiming their status as micro or small enterprises. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by management and the required disclosures are given below:

		As at 31 March 2025	As at 31 March 2024
a)	Principal amount remaining unpaid	**2.95**	11.97
b)	Interest due thereon	**Nil**	Nil
c)	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	**Nil**	Nil
d)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	**Nil**	Nil
e)	Interest accrued and remaining unpaid	**Nil**	Nil
f)	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	**Nil**	Nil

19. Lease Liabilities

		As at 31 March 2025	**As at 31 March 2024**
I	**Non-Current**		
	Lease Liabilities	**290.97**	603.54
		290.97	603.54
II	**Current**		
	Lease Liabilities	**377.97**	372.40
		377.97	372.40

20. Other Financial Liabilities

		As at 31 March 2025	As at 31 March 2024
I	**Non-Current**		
	Foreign Currency Derivatives Liabilities	**8.25**	0.89
		8.25	0.89
II	**Current**		
	Dues for Capital assets	**296.05**	5.47
	Foreign currency Derivative Liabilities	**2.31**	7.71
	Accrued Salaries and Benefits	**289.99**	617.76
	Total	**588.34**	630.94

21. Other Current Liabilities

	As at 31 March 2025	As at 31 March 2024
Statutory payables	**673.60**	733.82
Unearned revenue	**26.69**	59.97
Total	**700.28**	793.79

22. Current tax liabilities

	As at 31 March 2025	As at 31 March 2024
Income tax payables	**375.51**	1,187.88
(net of advance tax ₹2,636.35 Lakhs [31 March 2024 ₹5,888.11 Lakhs])		
Total	**375.51**	1,187.88

23. Income from operations

	Year ended 31 March 2025	Year ended 31 March 2024
Income from Services		
- export of services	**24,591.83**	25,855.07
- domestic services	**14,630.15**	12,408.38
Total	**39,221.98**	38,263.46

24. Other income

	Year ended 31 March 2025	Year ended 31 March 2024
Interest Income		
Deposits with Banks (at amortised cost)	**1,075.63**	842.02
Interest on Income Tax Refund	**62.84**	484.12
Interest on Security Deposit	**16.08**	14.03
Net Gain / (Loss) on sale of investments	**12.94**	-
Profit on sale of assets (net)	**2.86**	6.84
Forex gain/loss	**-**	57.08
Fair value measurements	**1,207.07**	1,002.26
Other Income (realisations of Baddebts)	**-**	66.26
Miscellaneous Income	**85.82**	85.89
Total	**2,463.24**	2,558.50

25. Employee benefits expense

	Year ended 31 March 2025	Year ended 31 March 2024
Salaries and Wages	**27,389.86**	26,497.11
Contribution to Provident and Other Funds	**511.07**	476.19
Gratuity	**250.10**	226.14
Staff Welfare	**361.14**	347.45
Total	**28,512.17**	27,546.89

26. Finance costs

	Year ended 31 March 2025	Year ended 31 March 2024
Interest on Income Tax	**-**	308.26
Interest on Lease Liability	**87.96**	120.53
Total	**87.96**	428.79

27. Depreciation and amortisation expense

	Year ended 31 March 2025	Year ended 31 March 2024
On Property, Plant and Equipment	**269.78**	296.04
On Right of Use Assets	**413.23**	403.90
On Intangible Assets	**121.30**	156.07
Total	**804.32**	856.01

28. Other expenses

	Year ended 31 March 2025	Year ended 31 March 2024
Short term lease	**44.67**	48.42
Rates and taxes	**209.96**	145.02
Power and fuel	**146.37**	149.90
Insurance	**121.17**	118.81
Travelling and Conveyance	**754.55**	999.58
Communication	**60.64**	65.95
Marketing expenses	**218.97**	226.02
Repair and Maintenance	**198.96**	132.96
Project Expenses - Customer Specific	**69.88**	59.50
Computer Hire Charges	**12.30**	35.04
Security Services	**69.50**	61.80
Recruitment, Training and Development	**173.29**	198.68
General Office Expenses	**12.22**	11.75
Legal and professional	**703.41**	778.95
Provision for doubtful debts	**-**	46.62
Bad Debts Written off	**46.75**	-
Less: Provision	**(46.75)**	-
Forex loss	**60.83**	-
Office Maintenance	**140.62**	149.97
Computer Maintenance	**1,650.21**	1,422.23
Auditors' Remuneration (Refer Note: 28.1)	**36.77**	30.65
Directors Sitting Fees	**8.55**	8.25
CSR Expenses	**71.00**	54.59
Bank Charges	**32.33**	36.80
Miscellaneous expenses	**89.36**	65.90
Total	**4,885.56**	4,847.39

28.1 Auditors' remuneration includes

	Year ended 31 March 2025	Year ended 31 March 2024
for statutory audit	**17.00**	16.00
for quarterly audit	**3.00**	3.00
for tax audit	**4.50**	3.50
for Branch audit	**2.50**	-
for taxation matters	**9.00**	7.06
for Certificaiton Fee	**0.77**	1.09
Total	**36.77**	30.65

29. Income taxes relating to continuing operations

29.1 Income tax recognised in profit or loss

	Year ended 31 March 2025	Year ended 31 March 2024
Current tax		
In respect of the current year	**1,504.90**	1,633.98
In respect of the prior years	**(880.10)**	(580.41)
	624.80	1,053.57
Deferred tax		
In respect of the current year	**300.65**	186.57
In respect of the prior years	**-**	-
	300.65	186.57

29.2 Reconciliation of income tax expense for the period to the accounting profit is as follows:

	Year ended 31 March 2025	Year ended 31 March 2024
Profit before tax from continuing operations	**6,903.71**	6,503.52
Income tax expense calculated at **25.168%**	**1,737.53**	1,636.81
Effect of income that is exempt from tax	**(0.72)**	(1.72)
Effect of expenses that are not deductible in determining taxable profit	**(231.90)**	(216.54)
	1,504.90	1,418.54
Adjustment recognised in the current year in relation to the current tax of prior years	**(880.10)**	(580.41)
Income tax expense recognised in profit or loss (relating to continuing operations)	**624.80**	838.13

29.3 Income tax recognised in other comprehensive income

		Year ended 31 March 2025	Year ended 31 March 2024
	Deferred tax arising on income and expenses recognised in other comprehensive income	**-**	-
A.	**Items that will not be recycled to profit or loss**		
	Remeasurements of the defined benefit liabilities / (asset)	**61.98**	(12.83)
		61.98	(12.83)
B.	**Items that may be reclassified to profit or loss**		
	Effective portion of gain / (loss) on Designated Portion of Hedging Instruments in a Cash Flow Hedge (net)	**-**	-
		-	-
		61.98	(12.83)

29.4 Current tax for the year ended 31 March 2025 includes tax expense with respect to foreign branches and Subsidaires amounting to ₹ 351.74 Lakhs [Year ended 31 March 2024: ₹ 457.25 Lakhs].

29.5 The tax rate used for the above reconciliation is the rate as applicable for the respective period payable by corporate entities in India on taxable profits under the Indian income tax laws. Parent company has elected to claim benefit given under section 115BAA of Income tax Act,1961 and has applied tax rate of 22% for computation of current tax and deferred tax.

30. Contingent Liabilities and Commitments

		As at 31 March 2025	As at 31 March 2024
A	**Claims against the Company not acknowledged as debt**		
i	Disputed income tax matters *[Refer Note 30.1]*	**2,527.81**	2,900.23
ii	Disputed service tax liability for which the Company preferred appeal	**947.19**	947.19
iii	Disputed interest liability on service tax for which the Company preferred appeal	**Not Ascertained**	Not Ascertained
iv	Demand from EPFO for which the Company preferred appeal	**193.79**	193.79
v	Others *[Refer Note 30.2]*	**38,974.50**	35,354.40
B	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	**15.88**	61.89

30.1 Disputed income tax matters

Assessment upto AY 2008-09 has been completed and necessary adjustments have been made to reflect reversal of tax provision created for these years and the advance tax in the consolidated financial statements. The Department had preferred an appeals for the AY 2002-03 to AY 2009-10 before honourable high court.

For AY 2009-10, the TPO/AO passed consequential orders giving the relief per the ITAT order. However, new issue which was not part of original proceedings, relating to addition of Commission as transfer price adjustment, has led to a new demand. The issue relating to TP adjustment of commission had been decided in favour of the Company in earlier years and hence, no provision for tax is made in respect of the demand raised.

For AY 2011-12 to 2018-19, the matters relate to either TP adjustment of ITES and Interest, disallowance of reimbursement of expenses to certain residents and non-residents for non-deduction of TDS. For AY 2020-21 and 2022-23, the matters relate to either TP adjustment of ITES, disallowance of reimbursement of expenses to certain residents and non-residents for non-deduction of TDS. The appeals filed by the Company are pending with either CIT(A) or Hon'ble Tribunal for these assessment years.

30.2 Contingent Liability - Others

The Company was promoted as 50:50 Joint Venture by Satyam Computer Services Ltd ("Satyam") and Venture Global Engineering LLC US ("Venture"). The joint venture partners entered into a Shareholders' Agreement (SHA) dated October 20, 1999 that provided for a royalty payment from the Company to both the joint venture partners in terms of a separate Royalty Agreement to be entered into between the Company and the joint venture partners. The Royalty Agreement was not entered into between the Company and the joint venture partners as envisaged in the SHA.

The Company and joint venture partners entered into separate Sales Commission Agreements that provided for payment of sales commission to the joint venture partners as per terms and conditions contained in the said agreements. In line with the provisions contained therein, the Company has been accruing and paying commission to its joint venture partners up to the year 2005-06.

During the year 2005-06, Satyam commenced arbitration proceedings against Venture in the London Court of International Arbitration ("LCIA") by invoking the arbitration clause in the SHA. Satyam's claims were upheld by the LCIA in its award dated April 2006 ("the Award"). Since then both the joint venture partners have raised numerous claims against each other resulting in multiple legal proceedings both in India and the USA that are still ongoing.

On January 7, 2009, the then Chairman of Satyam vide his letter addressed to then existing Board of Directors of Satyam, the stock exchanges and SEBI admitted to several financial irregularities in Satyam. Consequent to a global bidding process to take over the management of Satyam, M/s Venturbay Consultants Private Limited (the successful bidder) took over the management of Satyam.

Notwithstanding the dispute, the Company under its erstwhile management, continued to accrue the sales commission in its books. The newly reconstituted Board approved the accounts of the Company for the years 2008-09, 2009-10 and 2010-11, with continued accrual of sales commission. This was based on a view taken by the newly constituted Board that the matter is sub-judice that was corroborated by legal opinion and continued as prudent measure.

During the meetings held in 2011-12, the Board discussed the need to accrue the sales commission, as Venture did not render any services to the Company either during the year or during the past many years since the dispute. Further, in so far as the Company was concerned, Venture had not, till that point of time, claimed any amounts towards sales commission. The Board also took note of the fact (based on an updated legal opinion) that the issue of sales commission is not a disputed matter before the Courts either in India or in USA and not sub judice, as per original view.

Under the circumstances, the Board took the view on May 14, 2012 when the financial statements for the year ended March 31, 2012 was tabled for approval, that the accrual of sales commission from FY 05-06 to FY 10-11 of ₹ 3,594.07 be written back as other income in the Statement of Profit and Loss and the sales commission for the period from April 2011- December 2011 be reversed. However, as a prudent measure, the Board directed that the Company provide an amount of ₹ 5,291.42 Lakhs as a provision for contingency, covering the period from FY 05-06 to FY 11-12 which in its opinion would be adequate to cover any possible outflow that may arise in respect of the aforesaid matter and adjustments to the financial statements if any, to be made on final disposal of legal proceedings.

Subsequent to the adoption of accounts by the Board, the Company was served a suit filed by Venture before the City Civil Court, Secunderabad *inter alia* seeking a direction to the Company to pay sales commission that it was entitled to under the Shareholders Agreement. In the said suit, two ex-parte orders were passed by the City Civil Court, directing the Company, Venture and Satyam to maintain status quo with regard to transfer of 50% shares of Venture and with regard to taking major decisions which are prejudicial to interest of Venture . The Company has challenged the ex-parte orders of the City Civil Court Secunderabad, before the Hon'ble High Court of Andhra Pradesh ("the High Court").

In a related development, the City Civil Court, Hyderabad set aside the Award in January 2012, against which Satyam has filed an appeal before the High Court.

The High Court by its Judgement dated August 23, 2013 has allowed the appeals filed by the Company and set aside the ex-parte interim orders against the Company. The High Court has also set aside the Order of the City Civil Court, Hyderabad setting aside the Award and upheld the Award in favour of Satyam. The High Court as an interim measure ordered status quo with regard to transfer of shares, originally given by Supreme Court to be maintained for four (4) weeks which was extended for a further period of 3 weeks by High Court on 19th September, 2013.

Venture filed an SLP before the Supreme Court of India which was heard by the Apex Court on 21st October, 2013 and Supreme Court as an interim measure ordered status quo with regard to transfer of shares. TechM has filed a Special leave Petition before the Supreme Court of India challenging the judgement of the High Court only on the limited issue as to whether the Civil Court has jurisdiction to entertain VGE's challenge to the Award. The Hon'ble Bench of Supreme Court, in view of the difference of opinion by an order dated November 1, 2017 has directed the registry to place the SLP's before the Chief Justice of India for appropriate further course of action.

The Company has not modified the provision for contingencies amounting to ₹ 5,291.41 Lakhs as on 31 March 2012. The Company has also disclosed an amount of ₹ 38,974.5 Lakhs [31 March 2024: ₹ 35,354.4 Lakhs] as contingent liability, to cover any possible charge that may arise in respect of the above said matter, in the financial statements for the year ended 31 March 2025 by way of abundant caution notwithstanding the Board's view that there is no need to accrue sales commission since Venture did not provide any services to the Company.

31. Preparation of financial statements:

At the Annual General Meetings of the Company, one of the shareholders abstained from voting on the resolution for adoption of audited consolidated financial statements as at and for the years ended 31 March 2012 to 2024, while other shareholder had given consent for the adoption. In terms of Article 66 of the Articles of Association of the Company, the adoption of audited financial statements requires unanimous consent of both the shareholders of the Company. Therefore, the said financials have not been approved by the shareholders.

The consolidated financial statements as at and for the year ended 31 March 2025 have been drawn up incorporating the opening balances based on above said financial statements which have not been adopted by the Shareholders. Adjustments required, if any, will be made in accounts as and when determined.

32. Pursuant to the order from Ministry of Corporate Affairs, Serious Fraud Investigation Office (SFIO) vide its letter dated January 9, 2009 carried out inspection of books of accounts and other records of the Company under Section 209A of the Act. Consequent to inspection, SFIO has filed a complaint in Economic Offences Court, Hyderabad ("the trial court") against the Company and the then directors. The Company has filed a writ petition in the Hon'ble High court of judicature at Hyderabad to quash the complaint of SFIO. The Hon'ble High Court has directed the trial court not to insist the appearance of directors for examination. During the period Hon'ble High Court has quashed the criminal complaint filed by SFIO against the Company and its directors.

33. Subsidiaries considered for consolidation

Name of the subsidiary	Place of incorporation	Proportion of ownership interest and voting power held by the Group	
		As at 31 March 2025	As at 31 March 2024
Satyam Venture Engineering Services (Shanghai) Co. Ltd	China	100%	100%
Satven GmbH	Germany	100%	100%
Satyam Venture Japan KK	Japan	100%	-

Disclosure of additional information as required by the Schedule III as at and for the year ended 31 March 2025

Name of the Company	Net assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount in Rupees	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Satyam Venture Engineering Services Private Limited	96.44%	47,563.80	82.28%	4,919.08	100%	235.10	82.95%	5,154.18
Subsidiaries - Foreign								
Satyam Venture Engineering Services (Shanghai) Co. Ltd	1.80%	885.50	17.62%	1,053.58	0%	-	16.96%	1,053.58
Satven GmbH	0.81%	398.10	0.10%	5.72	0%	-	0.09%	5.72
Satyam Venture Japan KK	0.96%	471.30	0.00%	(0.12)	0%	-	0.00%	-0.12
Total	**100.00%**	**49,318.70**	**100.00%**	**5,978.26**	**100%**	**235.10**	**100%**	**6,213.36**

Disclosure of additional information as required by the Schedule III as at and for the year ended 31 March 2024

Name of the Company	Net assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount in Rupees	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Satyam Venture Engineering Services Private Limited	96.96%	41,794.99	99.89%	5,257.78	81%	(32.14)	100.03%	5,225.65
Subsidiaries-Foreign								
Satyam Venture Engineering Services (Shanghai) Co. Ltd	1.63%	702.11	-0.43%	(22.39)	22%	(8.81)	-0.60%	(31.20)
Satven GmbH	1.41%	608.23	0.53%	27.98	-4%	1.43	0.56%	29.41
		-		-		-		
Total	**100.00%**	**43,105.33**	**100.00%**	**5,263.37**	**-**	**(39.51)**	**100.00%**	**5,223.86**

34. Related Party Transactions

34.1 Following is the list of related parties and their relationships

A. Joint Venture Partner

1. Tech Mahindra Limited
2. Venture Global Engineering LLC

B. Enterprise having significant influence over Tech Mahindra Limited

3. Mahindra & Mahindra Ltd
4. Mahindra Last Mile Mobility Limited

C. Under control of Tech Mahindra Limited

5. Tech Mahindra GmbH
6. Tech Mahindra Foundation

D. Under control of Venture Global Engineering LLC

7. Jiangyin Venture Interior System
8. Venture Diversified Products
9. Venture Mould & Engg Co
10. Venture Otto South Africa (Prop) Ltd
11. Venture Auto Design(Shanghai)Co. Ltd

E. Key Managerial Personnel

12.	Jayaraman Ganapathy	Director
13.	VenkataKumar Raju Vadapalli	Director
14.	Krishna Kumari Palle	Director
15.	Venkateswara Rao Gajjala	Director
16.	Narasimham Venkata Rachakonda	Director
17.	Vineet Vij	Director
18.	Venkateswarlu Jonnalagadda	Independent Director
19.	Subramanyam Reddy Chelikam	Independent Director
20.	Rao S Vadlamudi	Chief Executive Officer
21.	Srinivas Chakravarthi Ramancherla	Chief Financial Officer
22.	Aradhana Rewatkar	Company Secretary (resigned on August 04, 2024)

34.2 Related party transactions during the period are as follows:

	31 March 2025	31 March 2024
Tech Mahindra Limited		
Revenue	**5,729.92**	5,298.00
Reimbursement of Expenditure	**-**	-
Tech Mahindra Shanghai Ltd		
Subcon Projects	**29.96**	29.55
Tech Mahindra GmbH		
Revenue	**235.61**	511.87
Mahindra & Mahindra Ltd.		
Revenue	**442.69**	373.22
Mahindra Last Mile Mobility Limited		
Revenue	**-**	3.43
Tech Mahindra Foundation		
Contribution made toward CSR Expenditure	**71.00**	54.59
Directors' Sitting Fees		
Jayaraman Ganapathy	**1.65**	1.50
Vadapalli Venkata Kumar Raju	**2.25**	2.10
Venkateswarlu Jonnalagadda	**2.55**	2.25
Subramanyam Reddy Chelikam	**2.10**	2.40
Compensation to Key Managerial Personnel		
(a) short-term employee benefits;	**168.24**	193.39
(b) post-employment benefits;	**-**	-
(c) other long-term benefits;	**-**	5.76
(d) termination benefits; and	**-**	-
(e) share-based payment.	**-**	-
Staff Loan/Salary Advance Repaid during the year	**28.06**	4.94

	As at 31 March 2025	As at 31 March 2024
Debit balances outstanding		
Tech Mahindra Limited	**4,455.68**	2,137.13
Tech Mahindra GmbH	**124.10**	263.34
Mahindra & Mahindra Ltd	**203.67**	147.96
Mahindra Last Mile Mobility Limited	**-**	2.48
Loan and advance to KMP	**3.15**	2.85
Credit balances outstanding		
Tech Mahindra Shanghai Ltd	**-**	29.51

35. Contract Asset & Contract Liabilities

35.1 Significant changes in the contract assets balances on fixed price development contracts

Particulars	As at 31 March 2025	As at 31 March 2024
Opening Balance	**6.45**	4.10
Add: Revenue recognised during the reporting period	**34.00**	6.45
Less: Invoiced during the period	**(6.45)**	(4.10)
Add/Less: Translation loss/(gain)	**-**	-
Add/Less: Others	**-**	-
Closing Balance	**34.00**	6.45

35.2 Significant changes in the contract liabilities balances

Contract liabilities	As at 31 March 2025	As at 31 March 2024
Opening Balance	**59.97**	-
Less: Revenue recognised during the reporting period	**-59.97**	-
Add: Invoiced during the period but, not recognised as revenues	**26.69**	59.97
Add/Less: Translation loss/(gain)	**-**	-
Add/Less: Others	**-**	-
Closing Balance	**26.69**	59.97

36. Segment Information

36.1 Based on the assessment of the chief operating decision maker ('CODM'), for the purpose of resource allocation and assessment of segment performance, the Company has only one business segment viz, engineering services.

36.2 Geographical information

The Group operates in seven principal geographical areas - India (country of domicile), United States of America (USA), Europe, Canada, Mexico and Asia Pacific comprising of China and Japan

The Company's revenue and Non-Current Assets from continuing operations from customers by location of operations are detailed below:

	Revenue		Profit		Non-Current assets	
	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024	As at 31 March 2025	As at 31 March 2024
India	**14,630.15**	12,408.38	**5,290.94**	4,481.67	**6,138.43**	8,916.59
USA	**12,392.01**	13,018.96	**707.22**	793.37	**82.89**	1.71
Europe	**4,573.88**	6,409.21	**49.24**	209.16	**54.23**	36.64
Asia Pacific	**5,057.02**	4,486.78	**626.39**	578.41	**24.74**	58.26
Canada	**20.18**	20.36	**-**	-	**-**	-
Mexico	**2,548.75**	1,919.76	**229.92**	440.90	**37.16**	-

36.2 Information about major customers

Revenue arising from sales of Automotive Engineering Services and consists of 60 customers base and out of them 10 customers contribute 80% of revenue. 2 customers contribute more than 10% of total revenue.

37. Financial Instruments

37.1 Financial Risk Management

The Company's activities are exposed to liquidity and market risks. The Company's senior management has the overall responsibility for establishing and governing the company's risk management frame work. The Company has constituted a Risk Management Committee, which 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 and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the board annually.

Financial Instruments by category

The carrying value and fair value of financial instruments by categories as of 31 March 2025 is as follows:

Particulars	Fair value through P&L	Fair value through OCI	Derivative instruments in hedging relationship	Amortised cost	Total carrying value	Total fair value
Assets						
Cash and cash equivalents	-	-	-	3,765.42	3,765.42	3,765.42
Other balances with banks	-	-	-	9,798.66	9,798.66	9,798.66
Trade receivables	-	-	-	7,682.38	7,682.38	7,682.38
Investments (Other than in subsidiaries)	20,925.80	-	-	-	20,925.80	20,925.80
Other financial assets	-	-	36.40	8,835.55	8,871.95	8,871.95
Total	**20,925.80**	**-**	**36.40**	**30,082.00**	**51,044.20**	**51,044.20**
Liabilities					**-**	**-**
Trade and other payables	-	-	-	733.56	733.56	733.56
Lease Liabilities	-	-	-	668.94	668.94	668.94
Other financial liabilities	-	-	10.56	586.04	596.60	596.60
Total	**-**	**-**	**10.56**	**1,988.54**	**1,999.10**	**1,999.10**

The carrying value and fair value of financial instruments by categories as of 31 March 2024 is as follows:

Particulars	Fair value through P&L	Fair value through OCI	Derivative instruments in hedging relationship	Amortised cost	Total carrying value	Total fair value
Assets						
Cash and cash equivalents	-	-	-	6,679.01	6,679.01	6,679.01
Other balances with banks	-	-	-	10,569.96	10,569.96	10,569.96
Trade receivables	-	-	-	7,311.66	7,311.66	7,311.66
Investments (Other than in subsidiaries)	15,021.79	-	-	-	15,021.79	15,021.79
Other financial assets	-	-	41.52	6,691.46	6,732.98	6,732.98
Total	**15,021.79**	**-**	**41.52**	**31,252.10**	**46,315.42**	**46,315.42**
Liabilities					-	-
Trade and other payables	-	-	-	1,004.44	1,004.44	1,004.44
Lease Liabilities	-	-	-	975.94	975.94	975.94
Other financial liabilities	-	-	8.60	623.23	631.83	631.83
Total	**-**	**-**	**8.60**	**2,603.61**	**2,612.21**	**2,612.21**

The fair value of cash and cash equivalents, other balances with bank, trade receivables, unbilled revenues, trade payables, and certain other financial assets and liabilities approximate their carrying amount largely due to the short term nature of these instruments.

Fair value hierarchy

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required):

The different levels have been defined as follows

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level -1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Particulars	As at 31 March 2025			As at 31 March 2024		
	Level 1	**Level 2**	**Level 3**	Level 1	Level 2	Level 3
Financial assets						
Mutual fund investments	**20,925.80**	**-**	**-**	15,021.79	-	-
Derivative financial assets	**-**	**36.40**	**-**	-	41.52	-
Total	**20,925.80**	**36.40**	**-**	15,021.79	41.52	-
Financial Liabilities						
Derivative financial liabilities	**-**	**10.56**	**-**	-	8.60	-
Lease Liabilities	**-**	**668.94**	**-**	-	975.94	-
Total	**-**	**679.50**	**-**	**-**	**984.54**	**-**

Sensitivity Analysis

Foreign currency sensitivity analysis:

A reasonably possible strengthening by 1% of USD, JPY, GBP, EUR and CNY against the Indian Rupee as at 31 March 2025 and 31 March 2024 will affect the statement of profit and loss by the amounts shown below:

₹ in Lakhs

Currency Impact	**Currency**	**As at 31 March 2025**	As at 31 March 2024
Impact of ₹ 1 strengthening on profit or (loss) for the year	USD	40.36	49.09
Impact of ₹ 1 weakening on profit or (loss) for the year	USD	-40.36	-49.09
Impact of ₹ 1 strengthening on profit or (loss) for the year	JPY	1,559.78	1,779.51
Impact of ₹ 1 weakening on profit or (loss) for the year	JPY	-1,559.78	-1,779.51
Impact of ₹ 1 strengthening on profit or (loss) for the year	Euro	15.53	8.95
Impact of ₹ 1 weakening on profit or (loss) for the year	Euro	-15.53	-8.95
Impact of ₹ 1 strengthening on profit or (loss) for the year	CNY	51.92	8.65
Impact of ₹ 1 weakening on profit or (loss) for the year	CNY	-51.92	-8.65
Impact of ₹ 1 strengthening on profit or (loss) for the year	GBP	3.57	1.52
Impact of ₹ 1 weakening on profit or (loss) for the year	GBP	-3.57	-1.52
Impact of ₹ 1 strengthening on profit or (loss) for the year	MXN	305.28	242.31
Impact of ₹ 1 weakening on profit or (loss) for the year	MXN	-305.28	-242.31

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

The Company has several balances in foreign currency and consequently the Company is exposed to foreign exchange risk. The exchange rate between the rupee and foreign currencies has changed substantially in recent years, which has affect on the results of the Company, and may fluctuate substantially in the future. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities based on gross exposure and the unhedged foreign currency exposures outstanding at the end of reporting period is as under:

Currency	Assets		Liabilities	
	As at 31 March 2025	**As at 31 March 2024**	**As at 31 March 2025**	**As at 31 March 2024**
USD	**4,092.10**	4,556.99	**642.67**	462.53
JPY	**1,028.40**	1,371.48	**143.08**	391.50
Euro	**1,752.25**	1,147.37	**318.48**	342.46
CNY	**857.32**	772.86	**246.36**	242.22
GBP	**395.49**	159.75	**-**	-
Mexico	**1,652.29**	1,392.43	**371.15**	173.19

Forward Exchange Contracts

The Company enters into foreign exchange forward contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than the Indian Rupee. The counter party to the Company's foreign currency Forward Contracts is generally a bank. These contracts are entered into to hedge the foreign currency risks of certain forecasted transactions. Forward exchange contracts in USD exposure are USD to INR and for EUR exposure are EUR to INR. These contracts are for a period of two years.

The following are the various outstanding foreign currency to Indian currency forward contracts (Sell) entered into be the company which has been designated as cash flow hedges:

		Amount outstanding in Foreign currency		Fair Value Gain / (Loss)	
	Currency	**As at 31 March 2025**	As at 31 March 2024	**As at 31 March 2025**	As at 31 March 2024
Type of cover					
Forward	USD to INR	19.45	17.72	-15.26	30.83
	EUR to INR	20.90	18.43	8.18	1.48

The movement in hedging reserve for derivatives designated as Cash Flow Hedges is as follows:

Particulars	**As at 31 March 2025**	As at 31 March 2024
Credit / (Debit) balance at the beginning of the year	**24.63**	0.44
Gain / (loss) net transferred to income statement on occurrence of forecasted hedge transaction	**-**	-
Changes in fair value of effective portion of cash flow derivative occurred during the year	**-**	-
Changes in fair value of effective portion of outstanding cash flow derivative	**(7.08)**	32.33
Tax impact on effective portion of outstanding cash flow derivative	**1.78**	(8.14)
Credit/(Debit) balance at the end of the year	**19.34**	24.63

Credit Risk Management

Credit Risk refers to the risk for a counter party default on its contractual obligation resulting a financial loss to the Group. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risk. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The maximum exposure of the financial assets represents trade receivables.

Credit risk on trade receivables is limited as the customers of the Company mainly consists of the entities having a strong credit worthiness. For doubtful receivables the Company uses a provision matrix to compute the expected credit loss allowances for trade receivables. The provision matrix takes into account ageing of accounts receivables and the company's historical experience of the customers and financial conditions of the customers.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily are investment in liquid mutual fund units issued by institutions with high credit ratings.

Liquidity Risk Management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments.

	As at 31 March 2025		As at 31 March 2024	
	Accounts payable and acceptances	**Other financial liabilities**	Accounts payable and acceptances	Other financial liabilities
Carrying amount	**733.56**	**596.60**	1,004.44	631.83
upto 1 year	**733.56**	**588.34**	1,004.44	630.94
More than 1 year	**-**	**8.25**	-	0.89
Total contracted cash flows	**733.56**	**596.60**	1,004.44	631.83

The table below provides details of financial assets:

	As at 31 March 2025	As at 31 March 2024
Trade receivables	**7,682.38**	7,311.66
Other financial assets	**8,871.95**	6,732.98

38. Leases

The Company has recognized a right of use asset and lease liability with respect to leasehold premises being used as office premises.

38.1 The table below shows the movement of lease liabilities during the year:

Particulars	**As at 31 March 2025**	As at 31 March 2024
Opening Balances	**975.94**	-
Additions during the year	**71.42**	1,287.07
Finance cost accrued during the year	**87.96**	120.53
Payment of lease liabilities	**-470.11**	-431.66
Foreign Exchange movement	**3.74**	-
Closing balances	**668.94**	975.94

38.2 The table shows below provides details regarding the Contractual maturities of lease liabilities of lease liabilities as on undiscounted basis:

Particulars	As at 31 March 2025	As at 31 March 2024
Up to 1 year	**377.97**	372.40
1-5 years	**290.97**	603.54
Above 5 years	**-**	-

38.3 The following are the amounts recognised in statement of profit or loss:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation expense on ROU	**413.23**	403.90
Interest expense on lease liabilities	**87.96**	120.53
Expenses relating to short term leases or lower value asset	**44.67**	48.42

39. Disclosure on cash and non-Cash changes for liabilities arising from financing activities:

Mention below are the components of liabilities related to financing activities in cash flow for the year ending March 31, 2025 and March 31, 2024

				Non-cash changes		
Lease liability	**Opening balance**	**Additions**	**Cash flow**	**Net Additions to lease liability**	**Foreign Exchange movement**	**Closing balance**
As at March 31, 2025	975.94	71.42	(470.11)	87.96	3.74	668.94
As at March 31, 2024	-	1,287.07	(431.66)	120.53	-	975.94

40. Earning per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follow.

	Year ended 31 March 2025	Year ended 31 March 2024
Profit for the year attributable to owners of the Company	**5,978.26**	5,263.37
Earnings used in the calculation of basic earnings per share	**5,978.26**	5,263.37
Weighted average number of equity shares outstanding during the period	**7,088,960**	7,088,960
Face Value of Equity Shares - ₹	**10**	10
Basic and Diluted Earnings per Share *	**84.33**	74.25

* The Company has no potential dilutive instruments

41. Corporate social responsibility

		Year ended 31 March 2025	Year ended 31 March 2024
i)	Amount required to be spent by the Company during the year	70.96	54.56
ii)	Amount of expenditure incurred	71.00	54.59
iii)	Shorfall at the end of the year	-	-
iv)	Total of previous years shortfall	-	-
v)	Reasons for shortfall	-	-
vi)	Details of related party transactions (Refer Note below)	71.00	54.59
vii)	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.	-	-
viii)	Nature of CSR activities	Contribution is made to Tech Mahindra Foundation (TMF). The TMF has been focusing on implementation projects related to of education and employability.	

41.1 Represents contribution to Tech Mahindra Foundation

42. Additional Regulatory and Other Information which are required to be disclosed under Division - II of Schedule III to the Companies Act, 2013,

a) The Company does not own any immovable property, investment property and intangible assets under development

b) The Company does not have any borrowings from banks or financial institutions

c) The Company does not have any balance under Capital work in progress

d) The Company has not revalued its Property, Plant and Equipment (including the Right of use assets) and intangible assets during the year under review.

e) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPS and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person that are repayable on demand; or without specifying any terms or period of repayment

f) No Proceeding has been initiated or pending against the Company under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

g) The Company is not a declared wilful defaulter by any Bank or Financial Institution or other lender.

h) The Company has no transactions with companies struck off under Sec.248 of the companies Act, 2013 or Sec.560 of the Companies Act, 1956.

i) The Company has complied with the number of layers prescribed under Clause 87 of Sec.2 of the Act read with the Companies (Restriction on number of layers) Rules 2017.

j) During the year, no scheme of arrangements has been approved by the competent authority in terms of Sec.230 to 237 of the Act, in which the Company is a party.

k) A). The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B) 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 (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

l) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income tax act, 1961 that thas not been recorded in the books of account.

m) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

for and on behalf of the Board of
Satyam Venture Engineering Services Private Limited
CIN: U72200TG2000PTC033213

R.V. Narasimham	**J.Venkateswarlu**	**Rao.S.Vadlamudi**
Chairman	Director	CEO
DIN: 00339167	DIN: 00051001	

Srinivas R
CFO

Hyderabad, 18 April 2025

DIRECTORS AND OTHER INFORMATION

Directors	Alan Leamy Mahesh Lalgudi Rajamani Birendra Kumar
Company Secretary	Paul Leamy
Company Number	560030
Registered Office & business address	Unit 1, Lyncon Court IDA Business and Technology Park, Snugborough Road, Blanchardstown, Dublin 15
Auditors	KPMG Chartered Accountants and Statutory Audit Firm 1 Stokes Place St. Stephen's Green Dublin 2
Bankers	Bank Of Ireland Ballsbridge Dublin 4
Solicitors	Sherlock Law Unit 5, Ground Floor Block F Nutgrove Office Park Rathfarnham Dublin 14

DIRECTORS' REPORT

for the financial year ended 31 March 2025

The directors present their report and the audited financial statements for Perigord Asset Holdings Limited ("the company") for the financial year ended 31 March 2025.

Principal Activity

The principal activity of the company is that of an immediate holding company of certain Perigord trading entities. Following an acquisition in March 2021, the company is a controlled subsidiary of the Tech Mahindra Group, a publicly limited technologies company listed on the Bombay stock exchange.

The company plans to continue its present activities and does not anticipate a change in the foreseeable future.

Results and Dividends

The company generated a profit for the financial year of €423,215 (2024: loss €340,582). The directors do not recommend payment of a dividend (2024: €Nil). At the end of the financial year, the company has net assets of €30,815,460 (2024: €30,359,607).

Directors and Secretary

The directors who served throughout the financial year, except as noted, were as follows:

Alan Leamy

Vikram Nair (Resigned 23 July 2024)

Mahesh Lalgudi Rajamani

Birendra Kumar (Appointed 23 July 2024)

The secretary who served throughout the financial year was Paul Leamy.

Prior to Mahindra Engineering Services (Europe) Limited acquiring a majority stake in Perigord Asset Holding Limited the company was controlled jointly by Alan Leamy and Paul Leamy through their holding company Locarno Investments Limited. Alan Leamy and Paul Leamy no longer own a holding in Perigord Asset Holding Limited through Locarno Investments Limited (31,734 A Ordinary Shares at 31 March 2024).

In accordance with the company's constitution, the directors are not required to retire by rotation.

There are no other disclosable interests in the shareholding of the company or the group that are required to be made under the Companies Act, 2014.

Post Balance Sheet Events

There have been no significant events affecting the company since the balance sheet date that would require adjustment to or disclosure in these financial statements.

Political Contributions

The company did not make any disclosable political donations in the current financial year (2024: €Nil).

Auditors

The auditors, KPMG, (Chartered Accountants) have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

Accounting Records

To ensure that adequate accounting records are kept in accordance with sections 281 to 285 of the Companies Act 2014, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the company's office at Unit 1, Lyncon Court, IDA Business and Technology Park, Snugborough Road, Blanchardstown, Dublin 15.

Disclosure of information to auditor

Each person who is a director at the date of approval of this report confirms that:

1) there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware; and

2) the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Signed on behalf of the board

Alan Leamy **Director**	**Birendra Kumar** **Director**
4 June 2025	**4 June 2025**

Statement of directors' responsibilities in respect of the director's report and the financial statements

The directors are responsible for preparing 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 they have elected to prepare the financial statements in accordance with 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 assets, liabilities and financial position of the Company and of its profit or loss for that year.

In preparing the 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 Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

  assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and

  use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements are prepared in accordance with the applicable accounting framework and comply with the provisions of the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

Signed on behalf of the board

Alan Leamy **Director**	**Birendra Kumar** **Director**
4 June 2025	**4 June 2025**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PERIGORD ASSET HOLDINGS LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Perigord Asset Holdings Limited ('the Company') for the year ended 31 March 2025 set out on pages 1813 to 1822, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and related notes, including the summary of significant accounting policies set out in note 2.

The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued in the United Kingdom by the Financial Reporting Council.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Company as at 31 March 2025 and of its profit for the year then ended;

- the financial statements have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and

- the financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) 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 ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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 the date 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 directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in

directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit, we report that:

- we have not identified material misstatements in the directors' report;

- in our opinion, the information given in the directors' report is consistent with the financial statements; and

- in our opinion, those parts of the directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

Our opinions on other matters prescribed by the Companies Act 2014 are unmodified

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 1809, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they 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 (Ireland)

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.

A fuller description of our responsibilities is provided on IAASA's website at https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. 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.

4 June 2025

Maurice McCann

for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St. Stephen's Green
Dublin
2 D02 DE03

BALANCE SHEET

as at 31 March 2025

	Notes	2025	2024
		€	€
Fixed Assets	8	**31,443,485**	31,443,485
Investments			
Current Assets			
Debtors	9	**2,372,752**	2,620,008
Cash and cash equivalents		**937,076**	49,239
		3,309,828	2,669,247
Creditors: amounts falling due within one year	10	**(250,714)**	(185,986)
Net Current Assets		**3,059,114**	2,483,261
Total Assets less Current Liabilities		**34,502,599**	33,926,746
Creditors:			
amounts falling due after more than one year	11	**(3,687,139)**	(3,567,139)
Net Assets		**30,815,460**	30,359,607
Capital and Reserves			
Called up share capital presented as equity	13	**4,570**	4,522
Share premium account	15	**3,053,074**	3,020,484
Retained earnings	15	**27,757,816**	27,334,601
Equity attributable to owners of the Company		**30,815,460**	30,359,607

Approved by the board on 4 June 2025 and signed on its behalf by:

Alan Leamy
Director

Birendra Kumar
Director

PROFIT AND LOSS ACCOUNT

for the financial year ended 31 March 2025

	Notes	2025	2024
		€	€
Turnover	3	**3,588,504**	680,000
Gross profit		**3,588,504**	680,000
Administrative expenses		**(2,985,585)**	(900,182)
Operating profit/(loss)		**602,919**	(220,182)
Interest payable and similar expenses	4	**(120,000)**	(120,000)
Profit/(loss) before taxation		**482,919**	(340,182)
Tax on profit/(loss)	6	**(59,704)**	(400)
Profit/(loss) for the financial year	15	**423,215**	(340,582)
Total comprehensive income		**423,215**	(340,582)

STATEMENT OF CHANGES IN EQUITY

as at 31 March 2025

	Called up share capital €	Share premium account €	Retained earnings €	Total €
At 1 April 2023	**4,474**	**2,987,890**	**27,675,183**	**30,667,547**
Loss for the financial year	-	-	(340,582)	(340,582)
Net proceeds of equity ordinary share issue	48	32,594	-	32,642
At 31 March 2024	**4,522**	**3,020,484**	**27,334,601**	**30,359,607**
Profit for the financial year	-	-	423,215	423,215
Net proceeds of equity ordinary share issue	48	32,590	-	32,638
At 31 March 2025	**4,570**	**3,053,074**	**27,757,816**	**30,815,460**

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025

1. General Information

Perigord Asset Holdings Limited (the "company") is a private company limited by shares incorporated in Ireland. Unit 1, Lyncon Court, IDA Business and Technology Park, Snugborough Road, Blanchardstown, Dublin 15 is the registered office, which is also the principal place of business of the Company. The nature of the Company's operations and its principal activities are set out in the Directors' Report. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

2. Summary of Significant Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Statement of compliance

The financial statements of the company for the year ended 31 March 2025 have been prepared on the going concern basis and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act, 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

The Company qualifies as a medium company as defined by section 280G of the Companies Act, 2014 in respect of the financial year.

Cash flow statement

The Company has availed of the exemption in FRS 102 from the requirement to prepare a Statement of Cash Flows because it is a subsidiary undertaking for which the consolidated financial statements are publicly available.

Consolidated accounts

The Company is entitled to the exemption provided for in section 300 of the Companies Act, 2014 from the obligation to prepare group accounts.

Turnover

Turnover comprises the invoice value of goods supplied by the Company, exclusive of trade discounts and value added tax.

Financial Liabilities and Equity Instruments

In accordance with FRS 102, financial instruments issued by the Company are treated as equity (i.e. forming part of the shareholders' funds) only to the extent that they meet the following two conditions:

(a) 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

(b) 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 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 excludes amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges.

Issued preference share capital that is deemed to represent a contractual obligation to deliver cash or another asset to another entity, is treated as a financial liability and, accordingly, is included in either current or long – term liabilities in the balance sheet. Unpaid dividends in respect of these instruments are included as creditors due after more than one year until they are paid. Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contracted arrangement.

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction cost.

Investments

The company holds investments in unlisted non-puttable equity shares of a number of entities. These investments are measured at fair value.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

Share-based payments

The Company issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, together with a corresponding increase in equity, based upon the Company's estimate of the shares that will eventually vest.

Taxation and deferred taxation

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the financial year and is calculated using the tax rates and laws that have been enacted or substantially enacted at 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 have occurred at that date that will result in an obligation to pay more tax in the future, or a right to pay less tax in the future. Timing differences are temporary differences between the Company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Profit and Loss Account.

Ordinary share capital

The ordinary share capital of the Company is presented as equity.

The preference share capital of the Company is presented as interest bearing debt.

3. Turnover

The Company generated turnover of €3,588,504 (2024: €680,000) in respect of management services provided to fellow group undertakings during the year and management transition compensation awards.

4. Interest payable and similar expenses

	2025	2024
	€	€
Finance charges on shares classified as financial liabilities (Note 7)	120,000	120,000

5. Employees and remuneration

Number of employees

The average number of persons employed (including executive directors) during the financial year was as follows:

	2025 Number	2024 Number
Management	**2**	2

	2025	2024
	€	€
The staff costs (inclusive of directors' salaries) comprise:		
Wages and salaries	**435,540**	423,700
Social welfare costs	**14,034**	710
Pension costs	**55,152**	61,029
Other remuneration	**294,421**	227,060
	799,147	712,499

6. Tax on profit/(loss)

	2025	2024
	€	€
(a) Analysis of charge in the financial year		
Current tax:		
Corporation tax at 12.50% (2024 – 12.50%) (Note 6 (b))	**59,704**	400

(b) Factors affecting tax charge for the financial year

The tax assessed for the financial year differs from the standard rate of corporation tax in the Republic of Ireland 12.50% (2024 – 12.50%). The differences are explained below:

	2025	2024
	€	€
Profit/(loss) taxable at 12.50%	**482,919**	(340,182)
Profit/(loss) before tax multiplied by the standard rate of corporation tax in the Republic of Ireland at 12.50% (2024 - 12.50%)	**60,365**	(42,523)
Effects of:		
Expenses not deductible for tax purposes	**13,750**	13,750
Utilisation of tax losses	**-**	6,368
Timing differences in pension allowances	**(20,547)**	(20,542)
Tax relief at source	**400**	400
Adjustment in respect to tax year	**5,736**	42,947
Total tax charge for the financial year (Note 6 (a))	**59,704**	400

7. Dividends

	2025	2024
	€	€
Dividends on shares classified as financial liabilities	**120,000**	**120,000**

8. Investments

	Subsidiary undertakings shares	Total
Investments Cost	€	€
At 31 March 2025	**31,443,485**	31,443,485
Net book value		
At 31 March 2025	**31,443,485**	31,443,485
At 31 March 2024	**31,443,485**	31,443,485

8.1. Holdings in related undertakings

The Company holds 20% or more of the share capital of the following companies:

The Directors have performed a review of the carrying value of investments in subsidiaries at the balance sheet date and are satisfied that no impairment charge is required in the current year (2024:€Nil)

Name	Registered office / Principal place of business and address of Registered Office	Nature of business	Details of investment	Proportion held by company
Subsidiary undertaking				
Perigord Premedia Limited	Ireland	Artwork & Outsource Services	Ordinary Shares	100%
Perigord Data Solutions Limited	Ireland	Software Development	Ordinary Shares	100%
Perigord Premedia USA, Inc	USA	Artwork & Outsource Services	Ordinary Shares	100%
August Faller Artwork Solutions Gmbh	Germany	Artwork & Outsource Services	Ordinary	100%

9. Debtors

	2025	2024
	€	€
Trade debtors	**21,722**	-
Amounts owed by group undertakings	**2,341,247**	2,618,275
Taxation (Note 12)	**1,834**	-
Prepayments	**7,949**	1,733
	2,372,752	2,620,008

Amounts owed by group undertakings are unsecured, interest free and repayable on demand

10. Creditors

Amounts falling due within one year	2025	2024
	€	€
Trade creditors	**24,827**	26,909
Taxation (Note 12)	**72,930**	31,840
Other Creditors	**104**	1,358
Accruals	**152,853**	125,879
	250,714	185,986

11. Creditors

Amounts falling due after more than one year	2025	2024
	€	€
Shares classified as financial liabilities (Note 13)	**3,567,139**	3,447,139
Accrued dividends	**120,000**	120,000
	3,687,139	3,567,139

On the 15th March 2021, Mahindra Engineering Services (Europe) Limited acquired a majority stake in Perigord Asset Holdings Ltd. As part of this deal structure Mahindra Engineering Services (Europe) Limited also acquired the 4% Cumulative Preference shares held by the Development Capital Fund.

12. Taxation

	2025	2024
	€	€
Debtors:		
VAT	**1,834**	-
Creditors:		
VAT	**-**	21,267
Corporation tax	**59,641**	400
PAYE	**13,289**	10,173
	72,930	31,840

13. Share capital

			2025	2024
			€	€
Description	**Number of shares**	**Value of units**		
Authorised				
Ordinary Shares	10,000,000	€0.01 each	**100,000**	100,000
'A' Ordinary Shares	-	€0.01 each	**-**	-
4% Cumulative Convertible Redeemable Preference	3,000,000	€1.00 each	**3,000,000**	3,000,000
			3,100,000	3,100,000
Equity shares			**100,000**	100,000
Shares classified as financial liabilities			**3,000,000**	3,000,000
Allotted, called up and fully paid				
Ordinary Shares	280,992	€0.01 each	**2,810**	2,810
'A' Ordinary Shares	176,035	€0.01 each	**1,760**	1,712
4% Cumulative Convertible Redeemable Preference	3,000,000	€1.00 each	**3,000,000**	3,000,000
			3,004,570	3,004,522

During the year, pursuant to the terms of the ESOP 4,835 A ordinary shares of €0.01 each were issued.

Whereas the holders of ordinary shares carry voting rights, the holders of A ordinary shares and the preference shares whilst entitled to attend general meetings do not carry voting rights. Subject to the Company having sufficient profits, before the application of profits for any other purpose, the company shall pay a fixed 4% dividend of the issue prie per convertible share to the holder. Any dividend declared after this shall be distributed in a pro rata basis between the holders of each share class to which the dividend has been declared. In the event of a liquidation, following the payment in full of preference shares, the remaining assets of the Company legally available for the distribution shall be applied in repayment to the holders of Ordinary shares and A Ordinary shares.

14. Share-based payments

In November 2018, the company issued share options to employees which are held in an ESOP. All options had fully vested by the commencement of the financial year. In the year to 31 March 2025 all share options were fully exercised.

The staff costs (inclusive of directors' salaries) comprise:	**2025 Number**	**2024 Number**
Options outstanding at beginning of year	**4,835**	9,671
Options granted during the year	**-**	-
Options exercised during the year	**(4,835)**	(4,836)
	-	4,835

15. Income Statement

	Share premium account	**Profit and loss account**	**Total**
	€	**€**	**€**
At 1 April 2024	3,020,484	27,334,601	30,355,085
Premium on issue of shares	32,590	-	32,590
Profit/(loss) for the financial year	-	423,215	423,215
At 31 March 2025	3,053,074	27,757,816	30,810,890

Share Premium Reserve

The share premium reserve of €3,053,074 consists of €251,948 which is the premium that arose on the reconstruction of the group of companies. The premium of €2,416,000 which arose from the issue of ordinary share capital to the Development Capital Fund. In 2021, 2022, 2023 & 2024 there was a further share premium in respect to share options exercised by the employees.

Profit and Loss account

The profit and loss account reflects the cumulative retained earnings of the Company as at the reporting date.

16. Capital commitments

The company had no material capital commitments at the Financial year-ended 31 March 2025.

17. Directors' remuneration

	2025	**2024**
	€	**€**
Remuneration	**267,300**	243,586
Pension contributions	**43,221**	38,488
	310,521	282,074

18. Related party transactions

The Company has availed of the exemption under FRS 102 in relation to the disclosure of transactions with group undertakings.

19. Parent company

The consolidated financial statements of these groups are available to the public and may be obtained from Gateway Building, Apollo Bunder, Mumbai – 400001, Maharashtra, India.

20. Post-Balance Sheet Events

There have been no significant events affecting the company since the year-end that would require adjustments to or disclosure in these financial statements.

21. Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 4 June 2025.

PERIGORD DATA SOLUTIONS LIMITED

Directors
Mr Alan Leamy
Mr Paul Leamy

Company Secretary
Paul Leamy

Company Number
378194

Registered Office and Business Address
Unit 1, Lyncon Court
IDA Business and Technology Park,
Snugborough Road, Blanchardstown,
Dublin 15

Auditors
KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2

Bankers
Bank Of Ireland
Ballsbridge
Dublin 4

Solicitors
Sherlock Law
Unit 5,Ground Floor
Block F Nutgrove Office Park
Rathfarnham
Dublin 14

Fitzgerald Tech Law
Fumbally Exchange
5 Dame Lane
Dublin 2

DIRECTORS' REPORT

for the financial year ended 31 March 2025

The directors present their report and the audited financial statements for Perigord Data Solutions Limited (“the company”) for the financial year ended 31 March 2025.

Principal Activity

The principal activity of the company continues to be the development of software solutions to manage the artwork process for the life science and related industries. Following an acquisition in March 2021, the company is a controlled subsidiary of the Tech Mahindra Group, a publicly limited technologies company listed on the Bombay Stock Exchange.

The company plans to continue its present activities and does not anticipate a change in the foreseeable future.

Results and Dividends

The company generated a profit for the financial year of €1,586,926 (2024 - €1,977,016). The directors do not recommend payment of a dividend (2024: €Nil). At the end of the financial year, the company has net assets of €2,345,128 (2024: net assets of €758,202).

Directors and Secretary

The directors who served throughout the financial year were as follows:

Mr Alan Leamy

Mr Paul Leamy

The secretary who served throughout the financial year was Paul Leamy.

The company regards Perigord Asset Holdings Limited as its parent company. Prior to Mahindra Engineering Services (Europe) Limited acquiring a majority stake in Perigord Asset Holding Limited the company was controlled jointly by Alan Leamy and Paul Leamy through their holding company Locarno Investments Limited. Alan Leamy and Paul Leamy no longer own a holding in Perigord Asset Holdings Limited through Locarno Investments Limited (31,734 A Ordinary Shares at 31 March 2024).

The directors are not required to retire by rotation.

Research and Development

Over the past ten years the company has been engaged in the development of brand and artwork solutions to manage the artwork process for the life science industry. Research expenditure incurred in relation to these activities has been written off to the profit & loss account in the year in which it was incurred. Development expenditure incurred in relation to this activity is written off in the same way unless the Directors have satisfied themselves to the technical, commercial and financial viability of the individual projects. In this situation, the expenditure is deferred and will be amortised over the period during which the company is expected to benefit.

Post Balance Sheet Events

There have been no significant events affecting the company since the balance sheet date that would require adjustment to or disclosure in these financial statements.

Political Contributions

The company did not make any disclosable political donations in the current (2024: €Nil)

Auditors

The auditors, KPMG, (Chartered Accountants) have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

Accounting Records

To ensure that adequate accounting records are kept in accordance with sections 281 to 285 of the Companies Act 2014, the directors have established appropriate books to adequately record the transactions of the company. The directors also ensure that the company retains the source documentation for these transactions. The accounting records are maintained at the company's office at Unit 1, Lyncon Court, IDA Business and Technology Park, Snugborough Road, Blanchardstown, Dublin 15.

Disclosure of information to auditor

Each person who is a director at the date of approval of this report confirms that:

1. there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware; and

2. the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Signed on behalf of the board

Mr Alan Leamy
Director
4 June 2025

Mr Paul Leamy
Director
4 June 2025

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing 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 they have elected to prepare the financial statements in accordance with 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 assets, liabilities and financial position of the Company and of its profit or loss for that year.

In preparing the 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 Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements are prepared in accordance with the applicable accounting framework and comply with the provisions of the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

On behalf of the board

Mr Alan Leamy
Director
4 June 2025

Mr Paul Leamy
Director
4 June 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PERIGORD DATA SOLUTIONS LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Perigord Data Solutions Limited (‘the Company’) for the year ended 31 March 2025 set out on pages 1829 to 1839, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and related notes, including the summary of significant accounting policies set out in note 2.

The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued in the United Kingdom by the Financial Reporting Council.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Company as at 31 March 2025 and of its profit for the year then ended;

- the financial statements have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and

- the financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) 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 ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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 the date 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 directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors’ report. The financial statements and our auditor’s report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit, we report that:

- we have not identified material misstatements in the directors' report; in our opinion, the information given in the directors' report is consistent with the financial statements; and in our opinion, those parts of the directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

Our opinions on other matters prescribed by the Companies Act 2014 are unmodified

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 1826, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they 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 (Ireland) 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.

A fuller description of our responsibilities is provided on IAASA's website at https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. 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.

Maurice McCann **4 June 2025**

for and on behalf of

KPMG

Chartered Accountants

1 Stokes Place

St. Stephen's Green

Dublin 2

PROFIT AND LOSS ACCOUNT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Note	2025 €	2024 €
Turnover	3	**13,030,895**	11,368,138
Cost of sales		**(5,654,587)**	(2,891,098
Gross profit		**7,376,308**	8,477,040
Administrative expenses		**(6,798,715)**	(6,661,541)
Other operating income		**1,162,067**	-
Profit before taxation		**1,739,660**	1,815,499
Tax on profit	6	**(152,734)**	161,517
Profit for the financial year	14	**1,586,926**	1,977,016
Total comprehensive income		**1,586,926**	1,977,016

There was no other comprehensive income arising in the current or prior year and accordingly no statement of other comprehensive income is presented.

BALANCE SHEET

As at 31 March 2025

	Note	2025 €	2024 €
Fixed Assets			
Intangible assets	7	**6,236,787**	4,421,640
Tangible assets	8	**594,692**	688,920
		6,831,479	5,110,560
Fixed Assets			
Current Assets			
Debtors	9	**5,370,467**	4,236,765
Cash and cash equivalents		**1,090,519**	1,133,636
		6,460,986	5,370,401
Creditors: amounts falling due within one year	10	**(10,851,897)**	(9,627,319)
Net Current Liabilities		**(4,390,911)**	(4,256,918
Total Assets less Current Liabilities		**2,440,568**	853,642
Creditors:			
amounts falling due after more than one year	11	**(95,440)**	(95,440)
Net Assets		**2,345,128**	758,202
Capital and Reserves			
Called up share capital presented as equity	13	**1,070,102**	1,070,102
Other reserves	14	**18,541**	18,541
Retained earnings	14	**1,256,485**	(330,441)
Shareholders' Funds		**2,345,128**	758,202

Approved by the board on 4 June 2025 and signed on its behalf by:

Mr Alan Leamy
Director

Mr Paul Leamy
Director

STATEMENT OF CHANGES IN EQUITY

As at 31 March 2025

	Called up share capital €	Retained earnings €	Capital contribution reserve €	Total €
At 1 April 2023	1,070,102	(2,307,457)	18,541	(1,218,814)
Profit for the financial year	-	1,977,016	-	1,977,016
At 31 March 2024	1,070,102	(330,441)	18,541	758,202
Profit for the financial year	-	1,586,926	-	1,586,926
At 31 March 2025	**1,070,102**	**1,256,485**	**18,541**	**2,345,128**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

1 General Information

Perigord Data Solutions Limited (“the Company”) is a company limited by shares incorporated in the Republic of Ireland.

2. Summary of Significant Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Statement of compliance

The financial statements of the company for the year ended 31 March 2025 have been prepared on the going concern basis and in accordance with generally accepted accounting principles in Ireland and Irish statute comprising the Companies Act 2014 and in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) issued by the Financial Reporting Council

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” issued by the Financial Reporting Council.

The company qualifies as a medium company as defined by section 280F of the Companies Act 2014 in respect of the financial year.

Cash flow statement

The company has availed of the exemption in FRS 102 from the requirement to prepare a Statement of Cash Flows because it is a subsidiary undertaking for which the consolidated financial statements are publicly available.

Turnover

Turnover comprises the invoice value of goods supplied by the company, exclusive of trade discounts and value added tax.

Financial Liabilities and Equity Instruments

Following the adoption of FRS 102, financial instruments issued by the company are treated as equity (i.e. forming part of the shareholders' funds) only to the extent that they meet the following two conditions:

(a) 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 unfavourable to the company; and

(b) 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 excludes amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges.

Issued preference share capital that is deemed to represent a contractual obligation to deliver cash or another asset to another entity, is treated as financial liability and, accordingly, is included in either current or long-term liabilities in the balance sheet. Unpaid dividends in respect of these instruments are included as creditors due after more than one year until they are paid. Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contracted arrangement.

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction cost.

Government Grants

Grants are recognised using the accruals model when there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with. Grants towards capital expenditure are credited to deferred income and are released to the profit and loss account over the expected useful life of the related assets, by equal annual instalments. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

Consolidation

The company is a wholly owned subsidiary of Tech Mahindra Limited, a company incorporated in India. The group financial statements of Tech Mahindra Limited are publicly available. Therefore the company is exempt by virtue of Section 300 of the Companies Act 2014 from the requirement to prepare and deliver group financial statements.

Intangible assets

Intangible assets are valued at cost less accumulated amortisation.

Tangible assets and depreciation

Tangible assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible assets, less their estimated residual value, over their expected useful lives as follows:

Software	-	15% Straight line
Fixtures, and fittings	-	33% Straight line
Motor vehicles	-	25% Straight line
Computer equipment	-	33% Straight line

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

Employee benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. For defined contribution plans, the company pays

contributions to privately administered pension plans on a contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Taxation and deferred taxation

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the financial year and is calculated using the tax rates and laws that have been enacted or substantially enacted at 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 have occurred at that date that will result in an obligation to pay more tax in the future, or a right to pay less tax in the future. Timing differences are temporary differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

The company's functional currency is the Euro. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Profit and Loss Account.

Research and development

Development expenditure is written off in the same financial year unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period from which the company is expected to benefit. Amortisation period is 5 years.

Ordinary share capital

The ordinary share capital of the company is presented as equity.

The preference share capital of the company is presented as interest bearing debt.

3. Turnover

The analysis of turnover and profit by segment and geographical area as required by the Companies Act 2014 is not included as the directors believe that such disclosure would be seriously prejudicial to the business of the company. the provision of brand and artwork management solutions.

4. Operating profit

	2025	2024
	€	€
Operating profit is stated after charging/(crediting):		
Depreciation of tangible assets	**719,928**	306,322
Loss/(profit) on foreign currencies	**33,938**	(13,107)

5. Employees and remuneration

Number of employees

The average number of persons employed (including executive directors) during the financial year was as follows:

	2025	2024
	Number	Number
Research & Development	2	3
Support	24	22
Sales	6	4
Admin	6	7
	38	**36**

The staff costs (inclusive of directors' salaries) comprise:	2025	2024
	€	€
Wages and salaries	2,841,862	2,606,835
Social welfare costs	331,069	274,482
Pension costs	38,586	47,799
Other remuneration	559,562	281,532
	3,771,079	**3,210,648**

6. Tax on profit

	2025	2024
	€	€
(a) Analysis of charge in the financial year		
Current tax:		
Corporation tax at 12.50% (2024 - 12.50%) (Note 6 (b))	**152,734**	237,812
Deferred tax:	-	(399,329)
Origination and reversal of timing differences	**-**	(399,329
Total deferred tax (Note 9)	**-**	(399,329
Tax on profit (Note 6 (b))	**152,734**	(161,517)

(b) Factors affecting tax charge for the financial year

The tax assessed for the financial year differs from the standard rate of corporation tax in the Republic of Ireland 12.50% (2024 - 12.50%). The differences are explained below:

	2025	2024
	€	€
Profit taxable at 12.50%	**1,739,660**	1,815,499
Profit before tax		
multiplied by the standard rate of corporation tax		
in the Republic of Ireland at 12.50% (2024 - 12.50%)	**217,458**	226,937
Effects of:		
Expenses not deductible for tax purposes	**735**	-
Depreciation in excess of capital allowances for period	**64,242**	13,790
Utilisation of tax losses	**-**	(6,368)
Deferred tax	**-**	(399,329)

	2025	2024
	€	€
Other movements	**(43,863)**	(19,010)
Adjustment in respect to tax year	**(85,838)**	22,463
Total tax charge for the financial year (Note 6 (a))	**152,734**	(161,517)

7. Intangible assets

	Development Costs	Total
	€	€
Cost		
At 1 April 2024	**4,421,640**	4,421,640
Additions	**2,101,885**	2,101,885
At 31 March 2025	**6,523,525**	6,523,525
Provision for diminution in value		
Charge for financial year	**286,738**	286,738
At 31 March 2025	**286,738**	286,738
Net book value		
At 31 March 2025	**6,236,787**	6,236,787
At 31 March 2024	**4,421,640**	4,421,640

During the year, having met the recognition criteria and in line with its accounting policy, the Company capitalised development expenditure of €2,101,885 (2024: €2,464,502) in respect of several complementary software development projects. The Company expects to realise the value of the capitalised intangible assets through future use and the generation of new cash flows. During FY 2025 3 software development projects came to completion and as such amortisation commenced on these projects from 1st December 2024. Amortisation period is 5 years. There are 3 other software development projects that are ongoing at 31st March 2025 with completion expected during FY 2026.

8. Tangible assets

	Software	Fixtures, and fittings	Motor vehicles	Computer equipment	Total
	€	**€**	**€**	**€**	**€**
Cost					
At 1 April 2024	94,113	5,116	60,103	1,339,093	1,498,425
Additions	-	-	-	338,962	338,962
At 31 March 2025	**94,113**	**5,116**	**60,103**	**1,678,055**	**1,837,387**
Depreciation					
At 1 April 2024	36,385	5,116	24,443	743,561	809,505
Charge for the financial year	10,770	-	11,112	411,308	433,190
At 31 March 2025	47,155	5,116	35,555	1,154,869	1,242,695
Net book value					
At 31 March 2025	**46,958**	**-**	**24,548**	**523,186**	**594,692**
At 31 March 2024	57,728	-	35,660	595,532	688,920

9. Debtors

	2025	2024
	€	€
Trade debtors	**3,205,664**	2,311,963
Amounts owed by group undertakings	**194,767**	357,142
Other debtors	**118,739**	317,722
Deferred tax asset	**397,740**	397,740
Taxation (Note 12)	**335,093**	100,278
Prepayments	**367,150**	307,371
Accrued income	**751,314**	444,549
	5,370,467	4,236,765

Trade Debtors are recorded net of a provision for bad debts of €Nil (2024: Nil)

Amount owed to group undertakings are unsecured, interest free and repayable on demand.

Amounts falling due after more than one year and included in debtors are:

	2025	2024
	€	€
Deferred tax asset	**397,740**	397,740

10. Creditors:

Amounts falling due within one year

	2025	2024
	€	€
Amounts owed to credit institutions	**7,197**	1,861
Net obligations under finance leases and hire purchase contracts	**9,569**	25,815
Trade creditors	**1,300,794**	539,615
Amounts owed to group undertakings	**3,886,676**	5,102,190
Taxation (Note 12)	**207,942**	338,719
Other creditors	**58,159**	13,333
Accruals	**1,172,195**	458,271
Deferred Income	**4,209,365**	3,147,515
	10,851,897	9,627,319

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

11. Creditors

	2025	2024
	€	€
Amounts falling due after more than one year		
Accrued dividends	**95,440**	95,440

12. Taxation

	2025	2024
	€	€
Debtors:		
VAT	**24,036**	100,278
R&D Tax Credit recoverable	**311,057**	-
Creditors:	**335,093**	100,278
Corporation tax	**113,568**	239,612
PAYE	**94,374**	99,107
	207,942	338,719

13. Share capital

Description	Number of shares	Value of units	2025	2024
			€	€
Authorised				
Ordinary Shares	**1,070,102**	**1.00 each**	**1,070,102**	1,070,102
Allotted, called up and fully paid				
Ordinary Shares	**1,070,102**	**1.00 each**	**1,070,102**	1,070,102

14. Income Statement

	Profit and loss account	Capital contribution reserve	Total
	€	**€**	€
At 1 April 2024	**(330,441)**	**18,541**	**(311,900)**
Profit for the financial year	1,586,926	-	1,586,926
Capital contribution	-	-	-
At 31 March 2025	**1,256,485**	**18,541**	**1,275,026**

15. Capital commitments

The company had no material capital commitments at the financial year-ended 31 March 2025.

16. Directors' remuneration

	2025	2024
	€	€
Remuneration	**3,014**	6,005

The total directors' remuneration for the year was €98,410 of which €95,396 was capitalised.

17. Related party transactions

The company has availed of the exemption under FRS 102 in relation to the disclosure of transactions with group undertakings.

18. Parent and ultimate parent company

The company regards Perigord Asset Holdings as it's parent company. The company's ultimate parent undertaking is Tech Mahindra Limited, Tech Mahindra Limited is located and registered in India. The parent in which the results are consolidated is Tech Mahindra Limited. The consolidated financial statements of these groups are available to the public and may be obtained from Gateway Building, Apollo Bunder, Mumbai – 400001, Maharashtra, India.

19. Post-Balance Sheet Events

There have been no significant events affecting the company since the financial year-end.

20. Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 4 June 2025.

PERIGORD PREMEDIA LIMITED

DIRECTORS AND OTHER INFORMATION

Directors	Alan Leamy Paul Leamy
Company Secretary	Paul Leamy
Company Number	272470
Registered Office and Business Address	Unit 1, Lyncon Court, IDA Business and Technology Park, Snugborough Road, Blanchardstown, Dublin 15.
Auditors	KPMG Chartered Accountants 1 Stoke Place St Stephen's Green Dublin 2
Bankers	Bank Of Ireland Ballsbridge Dublin 4 Allied Irish Bank West End Retail Park Blanchardstown Dublin 15
Solicitors	Sherlock Law Unit 5, Ground Floor, Block F, Nutgrove Office Park, Rathfarnham, Dublin 14 Fitzgerald Tech Law Fumbally Exchange 5 Dame Lane Dublin 2

DIRECTORS' REPORT

for the financial year ended 31 March 2025

The directors present their report and the audited financial statements for Perigord Premedia Limited (“the company”) for the financial year ended 31 March 2025.

Principal Activity and Review of the Business

The principal activity of the company is the provision of creative design, marketing solutions, quality artwork and labelling outsource services and management solutions to the life science and CPG industries. Following an acquisition in March 2021, the company is a controlled subsidiary of the Tech Mahindra Group, a publicly limited technologies company listed on the Bombay Stock Exchange.

The company plans to continue its present activities and does not anticipate a change in the foreseeable future.

Results and Dividends

The company generated a profit for the financial year of €1,881,227 (2024 - €883,490). The directors do not recommend payment of a dividend (2024: €Nil). At the end of the financial year, the company has net assets of €8,468,175 (2024 - €6,586,948)

Directors and Secretary

The directors who served throughout the financial year, except as noted, were as follows:

Alan Leamy

Paul Leamy

The secretary who served throughout the financial year was Paul Leamy. In accordance with the Constitution, the directors’ are not required to retire by rotation.

The company regards Perigord Asset Holdings Limited as its parent company. Prior to Mahindra Engineering Services (Europe) Limited acquiring a majority stake in Perigord Asset Holding Limited the company was controlled jointly by Alan Leamy and Paul Leamy through their holding company Locarno Investments Limited. Alan Leamy and Paul Leamy no longer own a holding in Perigord Asset Holding Limited through Locarno Investments Limited (2024 31,734 A Ordinary Shares at 31 March 2024).

There are no other disclosable interests in the shareholding of the company or the group that are required to be made under the Companies Act, 2014.

Post Balance Sheet Events

There have been no significant events affecting the company since the balance sheet date that would require adjustment to or disclosure in these financial statements.

Political Contributions

The company did not make any disclosable political donations in the current financial year (2024: €Nil).

Auditors

Pursuant to Section 383(2) of the Companies Act 2014, the auditor, KPMG, Chartered Accountants, will continue in office.

Accounting Records

To ensure that adequate accounting records are kept in accordance with sections 281 to 285 of the Companies Act 2014, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the company’s office at Unit 1, Lyncon Court, IDA Business and Technology Park, Snugborough Road, Blanchardstown, Dublin 15.

Disclosure of information to auditor

Each person who is a director at the date of approval of this report confirms that:

1. there is no relevant audit information (information needed by the company's auditor in connect with preparing the auditor's report) of which the company's auditor is unaware; and

2. the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information

Signed on behalf of the board

Alan Leamy
Director

Date: 4th June 2025

Paul Leamy
Director

Date: 4th June 2025

DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 March 2025

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing 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 they have elected to prepare the financial statements in accordance with 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 assets, liabilities and financial position of the Company and of its profit or loss for that year.

In preparing the 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 Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements are prepared in accordance with the applicable accounting framework and comply with the provisions of the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

On behalf of the board

Alan Leamy

Paul Leamy

4 June 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Perigord Premedia Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Perigord Premedia Limited ('the Company') for the year ended 31 March 2025 set out on pages 1846 to 1856, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and related notes, including the summary of significant accounting policies set out in note 2.

The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued in the United Kingdom by the Financial Reporting Council.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Company as at 31 March 2025 and of its profit for the year then ended;

- the financial statements have been properly prepared in accordance with FRS 102. *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and

- the financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) 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 ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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 the date 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 directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit, we report that:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, those parts of the directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

Our opinions on other matters prescribed by the Companies Act 2014 are unmodified

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 1843, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they 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 (Ireland) 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.

A fuller description of our responsibilities is provided on IAASA's website at https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. 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.

4 June 2025

Maurice McCann
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St. Stephen's Green
Dublin 2
D02 DE03

PROFIT AND LOSS ACCOUNT

for the financial year ended 31 March 2025

	Notes	2025	2024
		€	€
Turnover	**4**	**18,853,427**	16,927,994
Cost of sales		**(13,293,806)**	(11,753,706)
Gross profit		**5,559,621**	5,174,288
Administrative expenses		**(5,035,105)**	(4,516,666)
Other operating income	**5**	**1,661,327**	466,455
Operating profit	**6**	**2,185,843**	1,124,077
Interest receivable and similar income	**7**	**-**	1,310
Interest payable and similar expenses	**8**	**(10,287)**	(4,034)
Profit before taxation	**9**	**2,175,556**	1,121,353
Tax on profit	**10**	**(294,329)**	(237,863)
Profit for the financial year	**18**	**1,881,227**	883,490
Total comprehensive income		**1,881,227**	883,490

No other comprehensive income arose during the current or prior period and accordingly no statement of other comprehensive income is presented

BALANCE SHEET

as at 31 March 2025

	Notes	2025	2024
		€	€
Fixed Assets			
Tangible assets	**11**	**455,257**	438,476
Investments	**12**	**1,717,923**	1,717,923
Fixed Assets		**2,173,180**	2,156,399
Current Assets			
Debtors	**13**	**6,313,172**	6,645,734
Cash and cash equivalents		**2,951,326**	827,955
		9,264,498	7,473,689
Creditors: amounts falling due within one year	**14**	**(2,848,496)**	(2,994,178)
Net Current Assets		**6,416,002**	4,479,511
Total Assets less Current Liabilities		**8,589,182**	6,635,910
Creditors:			
amounts falling due after more than one year	**15**	**(121,007)**	(48,962)
Net Assets		**8,468,175**	6,586,948
Capital and Reserves			
Called up share capital presented as equity	**17**	**253,948**	253,948
Other reserves	**18**	**125,121**	125,121
Retained earnings	**18**	**8,089,106**	6,207,879
Shareholders' Funds		**8,468,175**	6,586,948

Approved by the board on 4th June 2025 and signed on its behalf by:

Alan Leamy
Director

Paul Leamy
Director

STATEMENT OF CHANGES IN EQUITY

as at 31 March 2025

	Called up share capital	Retained earnings	Capital contribution reserve	Total
	€	€	€	€
At 1 April 2023	253,948	5,324,389	125,121	5,703,458
Profit for the financial period	-	883,490	-	883,490
At 31 March 2024	253,948	6,207,879	125,121	6,586,948
Profit for the financial year	-	1,881,227	-	1,881,227
At 31 March 2025	**253,948**	**8,089,106**	**125,121**	**8,468,175**

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025

1. General Information

Perigord Premedia Limited is a company limited by shares incorporated in Ireland

2. Summary of Significant Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Statement of compliance

The financial statements of the company for the year ended 31 March 2025 have been prepared on the going concern basis and in accordance with generally accepted accounting principles in Ireland and Irish statute comprising the Companies Act 2014 and in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) issued by the Financial Reporting Council.

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

The company qualifies as a medium company as defined by section 280G of the Companies Act 2014 in respect of the financial year.

Cash flow statement

The company has availed of the exemption in FRS 102 from the requirement to prepare a Statement of Cash Flows because it is a subsidiary undertaking for which the consolidated financial statements are publicly available.

Consolidated accounts

The company is a wholly owned subsidiary of Tech Mahindra Limited, a company incorporated in India. The group financial statements of Tech Mahindra Limited are publicly available. Therefore the company is exempt by virtue of Section 300 of the Companies Act 2014 from the requirement to prepare and deliver group financial statements.

Turnover

Turnover comprises the invoice value of goods supplied by the company, exclusive of trade discounts and value added tax.

Financial Liabilities and Equity Instruments

Following the adoption of FRS 102, financial instruments issued by the company are treated as equity (i.e. forming part of the shareholders' funds) only to the extent that they meet the following two conditions:

(a) 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

(b) 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 excludes amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges.

Issued preference share capital that is deemed to represent a contractual obligation to deliver cash or another asset to another entity, is treated as financial liability and, accordingly, is included in either current or long term liabilities in the balance sheet. Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contracted arrangement.

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction cost.

Tangible assets and depreciation

Tangible assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible assets, less their estimated residual value, over their expected useful lives as follows:

Computer equipment	-	33% Straight line
Fixtures, and fittings	-	33% Straight line
Leasehold Improvements	-	25% Straight line

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Leasing and hire purchases

Tangible assets held under leasing and Hire Purchases arrangements which transfer substantially all the risks and rewards of ownership to the company are capitalised and included in the Balance Sheet at their cost or valuation, less depreciation. The corresponding commitments are recorded as liabilities. Payments in respect of these obligations are treated as consisting of capital and interest elements, with interest charged to the Profit and Loss Account.

Investments

The company holds investments in unlisted non-puttable equity shares of a number of entities. These investments are measured at cost less impairment

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Borrowing costs

Borrowing costs relating to the acquisition of assets are capitalised at the appropriate rate by adding them to the cost of assets being acquired. Investment income earned on the temporary investment of specific borrowings pending their expenditure on the assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

Employee benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. For defined contribution plans, the company pays contributions to privately administered pension plans on a contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Taxation and deferred taxation

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the financial year and is calculated using the tax rates and laws that have been enacted or substantially enacted at 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 have occurred at that date that will result in an obligation to pay more tax in the future, or a right to pay less tax in the future. Timing differences are temporary differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

The company's functional currency is the Euro. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Profit and Loss Account.

Ordinary share capital

The ordinary share capital of the company is presented as equity.

The preference share capital of the company is presented as interest bearing debt.

3. Period of financial statements

The comparative figures relate to the 12 month period ended 31 March 2024.

4. Turnover

The analysis of turnover and profit by segment and geographical area as required by the Companies Act 2014 is not included as the directors believe that such disclosure would be seriously prejudical to the business of the company.

5. Other operating income

	2025	2024
	€	€
Other operating income	**1,661,327**	466,455

Other operating income relates to intercompany management charges €711,986 (2024: €466,455). During 2025 Other operating income also arose relating to bill back of management transaction completion awards to Tech Mahindra Limited in line with SPA, 2025 €949,341 (2024: €nil)

6. Operating profit

	2025	2024
	€	€
Operating profit is stated after charging:		
Depreciation of tangible assets	**237,903**	159,672
Loss on foreign currencies	**29,815**	37,507
Auditors remuneration	**24,500**	24,500

Director fees were borne by a fellow group undertaking during the year (2024:Nil)

7. Interest receivable and similar income

	2025	2024
	€	€
Bank interest	**-**	1,310

8. Interest payable and similar expenses

	2025	2024
	€	€
Finance lease charges	**10,287**	4,034

9. Employees and remuneration

Number of employees

The average number of persons employed (including executive directors) during the financial year was as follows:

	2025	2024
	Number	Number
Admin	**10**	10
Production	**89**	83
Sales	**6**	8
	105	101

	2025	2024
	€	€
The staff costs comprise:		
Wages and salaries	**7,070,246**	6.87.942
Social welfare costs	**770,000**	673,217
Retirement benefits	**53,015**	53,131
Other remuneration	**487,281**	232,060
	8,380,542	7,146,350

10. Tax on profit

(a) Analysis of charge in the financial year

	2025	2024
	€	€
Current tax:		
Corporation tax at 12.50% (2024 - 12.50%)	**279,097**	160,910
Under/over provision in prior year	**-**	76,518
Total current tax	**279,097**	237,428
Deferred tax:		
Origination and reversal of timing differences	**15,232**	435
Total deferred tax (Note 13)	**15,232**	435
Tax on profit (Note 10 (b))	**294,329**	237,863

(b) Factors affecting tax charge for the financial year

The tax assessed for the financial year differs from the standard rate of corporation tax in the Republic of Ireland 12.50% (2024 - 12.50%). The differences are explained below:

	2025	2024
	€	€
Profit taxable at 12.50%	**2,175,556**	1,121,353
Profit before tax multiplied by the standard rate of corporation tax in the Republic of Ireland at 12.50% (2024 - 12.50%)	**271,945**	140,169
Effects of:		
Expenses not deductible for tax purposes	**1,608**	5,726
Depreciation in excess of capital allowances for period	**11,306**	(2,862)
Deferred tax	**15,232**	435
Deductible expenses	**(16,089)**	(22,348)
Adjustment in respect to tax year	**6,527**	39,097
Income taxed at a different rate	**3,800**	1,128
Adjustment to tax charge in respect of previous periods	**-**	76,518
Total tax charge for the financial year (Note 10 (a))	**294,329**	237,863

11. Tangible assets

	Computer equipment	Fixtures, and fittings	Leasehold Improvements	Total
	€	€	€	€
Cost				
At 1 April 2024	2,914,363	693,199	434,331	4,041,893
Additions	254,684	-	-	254,684
At 31 March 2025	3,169,047	693,199	434,331	4,296,577
Depreciation				
At 1 April 2024	2,494,434	682,175	426,808	3,603,417
Charge for the financial year	231,068	2,799	4,036	237,903
At 31 March 2025	2,725,502	684,974	430,844	3,841,320
Net book value				
At 31 March 2025	**443,545**	**8,225**	**3,487**	**455,257**
At 31 March 2024	419,929	11,024	7,523	438,476

12. Investments

	Subsidiary undertakings shares	Total
	€	€
Investments		
Cost		
At 31 March 2025	**1,717,923**	1,717,923
Net book value		
At 31 March 2025	**1,717,923**	1,717,923
At 31 March 2024	**1,717,923**	1,717,923

12.1. Holdings in related undertakings

The company holds 20% or more of the share capital of the following companies:

Name	Registered office/ Principal place of business and address of Registered Office	Nature of business	Details of investment	Proportion held by company
Subsidiary undertaking August Faller Artwork Solutions GmbH	Germany	Artwork & Outsource Services	Ordinary	100%
Perigord Premedia USA, Inc	United States of America	Artwork & Outsource Services	Ordinary	100%

The directors have performed a review of investments in subsidiary undertakings during the year and are satisfied that the carrying amount is at least the recoverable amount of investments held.

13. Debtors

	2025	2024
	€	€
Trade debtors	**2,539,741**	2,355,372
Amounts owed by group undertakings (Note 20)	**2,096,951**	2,623,726
Other debtors	**5,575**	14,443
Deferred tax asset	**25,726**	40,958
Taxation (Note 16)	**-**	6,308
Prepayments	**197,468**	225,245
Accrued income	**1,447,711**	1,379,682
	6,313,172	6,645,734

Trade Debtors are recorded net of a provision for bad debts of €Nil (2024: €Nil)

Amount owed by group undertakings are unsecured, interest free and repayable on demand.

Amounts falling due after more than one year and included in debtors are:

	2025	2024
	€	€
Deferred tax asset	**25,726**	40,958

14. Creditors

Amounts falling due within one year

	2025	2024
	€	€
Amounts owed to credit institutions	**1,694**	410
Net obligations under finance leases and hire purchase contracts	**90,107**	48,757
Trade creditors	**203,940**	228,914
Amounts owed to group undertakings (Note 20)	**462,809**	1,493,258
Taxation (Note 16)	**346,438**	326,906
Accruals	**1,663,717**	780,251
Deferred Income	**79,791**	115,682
	2,848,496	2,994,178

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

15. Creditors

Amounts falling due after more than one year

	2025	2024
	€	€
Finance leases and hire purchase contracts	**121,007**	48,962
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	**90,107**	48,757
Repayable between one and five years	**121,007**	48,962
	211,114	97,719

16. Taxation

	2025	2024
	€	€
Debtors:		
VAT	**-**	6,308
Creditors:		
VAT	**12,664**	-
Corporation tax	**141,955**	74,856
PAYE	**191,819**	252,050
	346,438	326,906

17. Share capital

Description	Number of shares	Value of units	2025	2024
			€	€
Allotted, called up and fully paid				
Ordinary	200,000	€1.269738 each	**253,948**	253,948

18. Income Statement

	Profit and loss account	Capital contribution reserve	Total
	€	€	€
At 1 April 2024	6,207,879	125,121	6,333,000
Profit for the financial year	1,881,227	-	1,881,227
Capital contribution	-	-	-
At 31 March 2025	**8,089,106**	**125,121**	**8,214,227**

19. Capital commitments

Lease commitments:

The Company holds an operating lease with an unrelated party in respect to the premises at 1 Lyncon court to 2025 and expects to make payments of €41,020 (2024: €48,757) within one year and €Nil (2024: €48,962) between 1 and 5 years. The lease is ending on 8th October 2025, no new lease has been signed yet.

20. Related party transactions

Transactions and balances with group companies:

	2025	2024
	€	€
Group Undertaking Debtors		
Perigord Data Solutions Limited	**1,087,157**	1,011,639
Perigord Premedia USA, Inc	**342,049**	155,574
August Faller Artwork Solutions GmbH	**-**	50,392
Perigord Asset Holdings Limited	**104**	1,358
August Faller Artwork Solutions GmbH	**405,706**	63,138
Tech Mahindra Limited	**261,935**	1,341,625
	2,096,951	2,623,726
Group Undertaking Creditors		
Perigord Data Solutions Limited	**193,587**	191,400
Perigord Premedia USA, Inc	**146,359**	609,322
Perigord Premedia (India) Private Limited	-	610,971
Perigord Asset Holdings Limited	**8,678**	73,232
August Faller Artwork Solutions GmbH	**90,065**	-
Tech Mahindra Limited	**24,120**	8,333
	462,809	1,493,258

21. Parent and ultimate parent company

The company regards Perigord Asset Holdings as it's parent company. The company's ultimate parent undertaking is Tech Mahindra Limited, Tech Mahindra Limited is located and registered in India. The parent in which the results are consolidated is Tech Mahindra Limited. The consolidated financial statements of these groups are available to the public and may be obtained from Gateway Building, Apollo Bunder, Mumbai – 400001, Maharashtra, India.

22. Post-Balance Sheet Events

There have been no significant events affecting the company since the financial year-end that would require adjustment to or disclosure in these financial statements.

23. Approval of financial statements

The audited financial statements were approved and authorised for issue by the board of directors on 4th June 2025

PERIGORD PREMEDIA USA, INC.

Board of Directors
Mr. Michael Fleming
Mr.Tony o' Brien
Mr. Alan Leamy
Mr.Paul Leamy

Bankers
Bank of America and J. P. Morgan

Registered Office:
4 Pin Oak Drive, Branford, CT, 06405

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Perigord Premedia USA,Inc.
Branford, Connecticut

Opinion

We have audited the accompanying financial statements of **Perigord Premedia USA, Inc.** (a Connecticut corporation) which comprises the balance sheet as of March 31, 2025, and the related statements of income, accumulated earnings and cash flows for the year 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 Perigord Premedia USA, Inc. as of March 31, 2025, and the results of its operations and its cash flows for the year 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 Perigord Premedia USA, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 these 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 Perigord Premedia USA, Inc. 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 are considered material if there is a substantial likelihood that, individually or in the aggregate they would influence the judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement 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 Perigord Premedia USA, Inc. 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Perigord Premedia USA, Inc. 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.

Orange, Connecticut

May 15, 2025

PERIGORD PREMEDIA USA, INC.

BALANCE SHEET MARCH 31, 2025

ASSETS	
CURRENT ASSETS	
Cash	**$4,063,642**
Accounts receivable, net of allowance	**730,850**
Accounts receivable - affiliates	**662,373**
Prepaid expenses	**16,774**
TOTAL CURRENT ASSETS	**5,473,639**
PROPERTY AND EQUIPMENT	
net of accumulated depreciation of $ 58l,590	**10,448**
OTHER ASSETS	
Goodwill, net of accumulated amortization of $470,967	**0**
Operating lease, right of use asset	**23,416**
Deposits	**11,592**
TOTAL OTHER ASSETS	**35,008**
TOTAL ASSETS	**$5,519,095**
LIABILITIES AND STOCKHOLDERS' EQUITY	
Advances from affilate	**370,688**
Accrued expenses	**530,740**
Current portion of lease obligination	**23,416**
TOTAL CURRENT LIABILITIES	**924,844**
LONG TERM LIABILITIES	
Lease obliginations, net of current portion	
STOCKHOLDERS' EQUITY	
Common stock, no par value, 5000 shares authorized	
I000 shares issued of which 400 are in treasury	**1,000**
Additional paid-in capital	**486,347**
Treasury stock @ cost	**(199,105)**
Accumulated earnings	**4,306,009**
TOTAL STOCKHOLDERS' EQUITY	**4,594,251**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$5,519,095**

The accompanying notes are an integral part of these financial statements, subject to the comments in the independent autitors' report.

STATEMENTS OF INCOME AND ACCUMULATED EARNINGS FOR THE YEAR ENDED MARCH 31, 2025

NET SALES	**$4,661,093**
COST OF SALES	**2,180,302**
GROSS MARGIN	**2,480,791**
OPERATING EXPENSES	
Selling and administrative expenses	**1,470,062**
TOTAL OPERATING EXPENSES	**1,470,062**
NET OPERATING INCOME	**1,010,729**
OTHER INCOME	**10**
INCOME BEFORE PROVISION FOR INCOME TAXES	**1,010,739**
PROVISION FOR INCOME TAXES	**(370,105)**
NET INCOME	**640,634**
ACCUMULATED EARNINGS - BEGINNING OF YEAR	**3,665,375**
ACCUMULATED EARNINGS - END OF YEAR	**$4,306,009**

The accompanying notes are an integral part of these financial statements, subject to the comments in the independent autitors' report.

PERIGORD PREMEDIA USA, INC.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

CASH FLOW FROM OPERATING ACTIVITIES	
Net Income	**$640,634**
Adjustments to Reconcile Net Income to	
Net Cash provided by Operating Activities	
Amortization and depreciation	**66,034**
(Increase) Decrease in	
Accounts receivable	**200,524**
Other receivables	**57,474**
Prepaid expenses	**(12,675)**
Right and use asset	**52,224**
Increase (Decrease) in	
Accrued expenses	**143,197**
Total adjustment	**506,778**
NET CASH PROVIDED FROM OPERATING ACTIVITIES	**1,147,412**
CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of property and equipment, net of retirements	**(9,163)**
NET CASH (USED) FOR INVESTING ACTIVITIES	**9,163**
CASH FLOW FROM FINANCING ACTIVITIES	
Lease obligations	**(52,224)**
Advances from affilate	**701,529**
NET CASH PROVIDED FROM BY FINANCING ACTIVITIES	**649,305**
NET CASH INCREASE	**1,787,554**
CASH - BEGINNING OF YEAR	**2,276,088**
CASH - END OF YEAR	**$4,063,642**
SUPPLEMENT AL DISCLOSURES OF CASH FLOWS INFORMATION	
Interest paid	**$0**
Income tax paid	**$228,478**

The accompanying notes are an integral part of these financial statements, subject to the comments in the independent autitors' report.

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

NOTE 1 - NATURE OF OPERATION

Perigord Premedia USA, Inc. (the Company) is a Connecticut Corporation formed in 1979 and operates from its headquarters in Branford, Connecticut. The Company is a wholly owned subsidiary of Perigord Premedia Limited and part of the Perigord Asset Holdings Limited group. The Company provides artwork creation and premedia services in support of commercial and life science industries. On March 15, 2021 Perigord Asset Holdings Limited and all its affiliated companies, entered into a purchase agreement with Tech Mahindra to sell 70% of the outstanding shares of Perigord Asset Holding Limited. Perigord Premedia USA Inc., a wholly owned subsidiary of the group was included in the acquisition. Effective March 31, 2024 the contractual end of the earnout period, Tech Mahindra owns 100% of the Company.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Company used the accrual method of accounting in connection with these financial statements.

Impairment of Long-Lived Assets

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Recoverability of these assets is determined by comparing the forecasted undiscounted net cash flows of the operation to which the assets relate to the carrying amount. If the operation is determined to be unable to recover the carrying amount of its assets, then assets are written down first, followed by other long-lived assets of the operation to fair value. Fair value is determined based on discounted cash flows or appraised values, depending on the nature of the assets. There were no impairment losses recognized for long-lived assets as of March 31, 2025.

Revenue Recognition - Revenue recognition is realized usually at the point of sale or as services have been performed and are billable. In general, revenue is recognized when the earnings process is completed. Revenues are recognized when control of these services is transferred to its customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services. The Company does not have any significant financing components as payment is received at or shortly after the point of sale.

Accounts Receivable - Accounts receivable are recorded at the amount management expects to collect and are stated net of allowance for doubtful accounts. Management provides for uncollectible amounts through a charge to earnings and a credit to the valuation allowance. At March 31, 2025, the allowance for doubtful account was $25,830.

Inventories - Inventories are stated at the lower of cost, determined on a first-in, first-out (FIFO) basis, or market, and consist primarily of work-in-process and supplies for production. At March 31, 2025 there is no inventory that has not been invoiced to the customer.

Property and Equipment - The cost of property and equipment is depreciated on the straight-line method over the estimated useful lives of the related assets. Upon sale or retirement, the cost and accumulated depreciation are removed and the realized gain or loss is included in the results of operation. Expenditures for repairs and maintenance are charged to operations as incurred.

Income Tax - The Company provides deferred income taxes for temporary differences ansmg principally from the use of different methods of reporting various items for financial accounting and tax purposes.

Recent Accounting Polices

There has been no change to the Corporation accounting policies as of March 31, 2025 or for the year then ended.

Use of Estimates - 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 certain reported amounts and disclosures of assets and liabilities at the financial statement date and the reported amounts of revenue and expense during the report period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents - The Company considers cash and cash equivalents to be all highly liquid securities with maturities of less than three months.

Subsequent Events - Subsequent events have been evaluated through May 15, 2025 which is the date the financial statements were available to be issued.

Cost of Goods Sold - Cost of goods sold consists of merchandise costs, including freight costs, labor costs, compensation and benefit expense, allocated overhead and operating expenses

Selling and Administrative Expenses - Selling and administrative expenses consist of compensation and benefit expenses. Selling and administrative expenses also include advertising costs, supplies for the office, communication costs, travel and entertainment, and services purchased.

Advertising - Advertising costs are charged to operations when incurred.

Fair Values - The carrying amounts reflected in the balance sheet for cash, cash equivalents, loans and notes payable approximate the fair values due to the short maturities of those instruments.

NOTE 3 - CONCENTRATIONS OF CREDIT RISK

Financial instruments which potentially subject the Company to a concentration of credit risk principally consist of cash and trade accounts receivable.

The Company maintains its cash in bank deposit accounts which, at times, may exceed Federally insured limits.

The majority of the company's accounts receivable at March 31, 2025 is with customers located in the Northeast. However, management does not believe a significant credit risk exists at March 31, 2025. Generally, the Company does not require collateral to support its accounts receivable.

NOTE 4 - LEASING ARRANGEMENTS

The company leases its operating facilities in Branford, Connecticut from unrelated parties under operating lease agreements expiring through August 31, 2025. Rent expense under this lease was $77,477 for the year ended March 31, 2025.

The Company leases its facility under an operation lease (Type B) with a I 0-year initial term. The exercise of the renewal option is the discretion of the Company. The Company has not determined that any option will be exercised and it is not included in the measurement of the lease assets and liabilities.

The following is a summary of the accounting for operating leases as of March 31, 2025

Operating Lease, right-of-use asset	$23,416
Current portion of long-term operating lease liability	$23,416

Discount rate 4.5%

The Company, will relocate, and has entered into a new lease agreement effective June 2, 2025. It is a IO-year lease expiring June 30, 2035 with two five-year options. The base annual rent is $40,500 for the initial year and will increase by 2.5% annually over the first five years and 3.0% annually over the second five years. The financial statements do not include a right of use asset and corresponding liability for the new lease.

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment with a useful life of more than one year are carried at cost and depreciated using straight-line methods over their estimated useful lives. The assets, estimated useful lives, cost, current year depreciation and accumulated depreciation are as follows:

Assets and Estimated Useful Lives	Cost	Current Year Depreciation	Accumulated Depreciation
Machinery and Equipment 3-7 yrs	$473,013	$16,451	$463,582
Leasehold Improvements IO yrs	55,937	2,497	54,920
Office Equipment 5-7 yrs	37,903	0	37,903
Capital Lease Equipment 3-5 yrs	25,185	0	25,185
	$592,038	**$18,948**	**$581,590**

NOTE 6 - RELATED PARTY TRANSACTIONS

At March 31, 2025, the Company had trade receivables and trade payables owed to the foreign entities listed below. The Company at times advances funds to Perigord Premedia Limited, which are non interest bearing and are due on demand. The Company will at various times need to raise capital in order to fund its operations. The Company Shareholder and or affiliated entity has committed to provide sufficient working capital to operate over the next twelve-month period.

Accounts receivable	
Perigord Premedia Limited	**$158,067**
Perigord Data Solutions Limited	**$504,306**
Accounts Payable	
Perigord Premedia Limited	**$369,413**
Perigord Data Solutions Limited	**$1,275**
Sales	
Perigord Premedia Limited	**$632,271**
Perigord Data Solutions Limited	**$526,297**
Purchases	
Perigord Premedia Limited	**$480,302**
Perigord Data Solutions Limited	**$76,320**

NOTE 7 - PENSION PLANS

The company maintains a 40 I K plan which is open to substantially all employees. Under the provisions of the plan employees are allowed to contribute between 2% to 10% of their compensation. Matching contributions can be made by the company at the discretion of the board of directors. No employer matching contribution was made for the year ended March 31, 2025.

NOTE 8 - INCOME TAX

The Company follows FASB ASC 740-10, Accounting for Uncertainty in Income Taxes, which provides guidance on accounting for uncertainty in income taxes recognized in the Company's financial statements. The guidance prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, and also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of March 31, 2025, the Company had no uncertain tax positions that required either recognition or disclosure in the Company's financial statements. Generally, the tax years before 2021 are no longer subject to examination by Federal or state authorities.

Federal and state income taxes are accrued at year end in accordance with applicable income tax laws. The income tax provision of the Company consists of the following:

Current tax provision	
Federal	$259,074
State	111.031
Total	**$370,105**

Deferred income taxes result from significant temporary differences between income for financial reporting purposes and taxable income. These differences arose principally from the use of accelerated tax depreciation, uniform capitalization rules for inventory for tax purposes and restrictions on the deductibility of related party and other accruals for tax purposes. At March 31, 2025, the company had insignificant differences resulting from differences in book and tax depreciation. No deferred tax asset or deferred tax benefit has been recorded in the financial statement. No additional federal or state operating loss carryforward are remaining.

NOTE 9 - GOODWILL

Goodwill originally amounted to $270,966 acquired on previous asset acquisitions and was being amortized over 40 years until December 31, 2003. In accordance with Statement of Financial Accounting Standards No. 142 amortization was discontinued for all future years up through and including 2014. For years beginning after December 31, 2014 the remaining balance is being amortized over 10 years at $13,000 as required by ASU 2014-02 dated January 2014.

Effective November 2016 the company purchased the assets of Pharma International Inc. for $200,000. The intangible assets are being amortized over 10 years as required by ASU 2014-02 dated January 2014. Amortization for the fiscal year ended March 31, 2025 amounted to $47,086 which fully amortizes all intangible assets at the close of the fiscal year.

Subject to the comments in the Independent Auditor’s Report.

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Board of Directors:

Perigord Premedia USA, Inc. Branford, Connecticut

We have audited the financial statements of Perigord Premedia USA, Inc. as of March 31, 2025 and for the year then ended, and our report thereon dated May 15, 2025, which expressed an unmodified opinion on those financial statements, appears on page One. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Cost of Sales on page 1861 and the Schedule of Selling and Administrative Expenses on page 1861 are 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.

Orange, Connecticut

May 15, 2025

August Faller Artwork Solutions Gmbh

Board of Directors
Mr. Michael Fleming

Bankers
Volksbank Breisgau Nord EG

Registered Office
Fabrik Sonntag 4b 79183 Waldkirch,Germany

Exhibits (“Anlagen”)

1 Balance sheet as of March 31, 2024
(Courtesy Translation)
Bilanz zum 31. März 2024
(statutory German Version including published statements prior year)

2 Income statement for the 12 month period
(Courtesy Translation)
Gewinn- und Verlustrechnung
für das Geschäftsjahr vom 1. April 2023 bis zum 31. März 2024
(statutory German Version)

3 Notes to the financial statements for the period 2023 / 2024
(Courtesy Translation)
Anhang für das Geschäftsjahr 2023 / 2024
(statutory German Version including fixed asset movement schedule)

4 Legal Background

General Engagement Terms

REVIEW REPORT OF THE INDEPENDENT AUDITOR

A. ENGAGEMENT

The management of August Faller Artworks Solutions GmbH (the "Company"), Waldkirch, engaged us to review the annual statutory financial statements as of March 31, 2025, together with the underlying books and records.

The General Engagement Terms for Wirtschaftsprüfer und Wirtschaftsprüfungs-gesellschaften (German Public Auditors and Public Audit Firms) dated January 1, 2024 which are attached to this report are applicable to this engagement and will also govern our relations with third parties in the context of this engagement. In addition, please refer to the liability provisions contained therein no. 9 and to the exclusion of liability towards third parties and the other provisions of the enclosed "Engagement Terms, Liability and Conditions of Use".

This review report is addressed to the Company.

B. SUBJECT MATTER AND OBJECTIVE OF THE REVIEW

As part of our engagement, we reviewed the accounting records and the annual financial statements - comprising a balance sheet and notes to the financial statements as of March 31, 2025, together with the bookkeeping for the twelve months' period from April 1, 2024 to March 31, 2025 (representing statutory commercial income statement) to determine whether they comply with the relevant legal requirements.

The applicable accounting principles for our review of the annual financial statements were the accounting provisions of sections 242 to 256a and sections 264 to 288 of the German Commercial Code (HGB) and the special provisions of the German Limited Liability Companies Act (GmbH-Gesetz). There are no supplementary accounting provisions from the Articles of Association.

The review comprises a critical appraisal of the financial statements based on plausibility assessments. The objective of a critical review is to obtain a certain level of assurance that the financial statements are free from material misstatement, whether due to fraud or error. A certain level of assurance is achieved when we are satisfied, based on evidence obtained, that the subject matter of the review is plausible in the circumstances.

C. NATURE AND SCOPE OF THE REVIEW

We conducted our audit in accordance with the generally accepted standards for the review of financial statements (IDW PS 900) promulgated by the German Institute of Certified Public Accountants (IDW).

A review is limited primarily to analytical assessments and inquiries of company personnel. A more extensive review of the information and other evidence obtained is generally only necessary if there is reason to believe that the information submitted for review contains material misstatements or if there is evidence of misstatement or similar indications.

A review is conducted in accordance with the principle of materiality. The assessment of what is considered to be material is subject to our professional judgment.

Our review was based on the annual financial statements as of March 31, 2025 as prepared by the Company. The balance sheet as of March 31, 2024 (representing the opening balances for the period under review) has been reviewed by us. We also used accounting records, vouchers and the Company's files and written materials as underlying supporting documents.

In determining the nature, timing and extent of the procedures to be performed in our review, we considered, in accordance with our professional judgment:

- Knowledge of the Company's business activities;
- knowledge of the accounting principles and practices of the industry in which the Company operates;
- the Company's accounting-related internal control system;
- the extent to which the statements made in the financial statements are affected by management's judgments;
- the materiality of transactions and account balances.

In particular, we performed the following individual procedures as part of our review:

- obtaining bank confirmation letters
- analytical review procedures
- explicit inquiries of management regarding their assessment of the completeness of other accruals, need for allowances for trade receivables.
- A physical inventory stock taking is not performed at the Company as only agreed upon services in progress is accounted for. Consequently, we performed a reconciliation to the underlying data backup.

All clarifications and evidence requested by us have been provided by the employees designated to provide information. The legal representatives have confirmed to us in writing that these explanations and evidence, as well as the accounting records and the annual financial statements, are complete.

Financial accounting, including fixed asset accounting, is outsourced by the Company to its parent company in Ireland. The outsourcing is approved by local tax authorities. The bookkeeping system applied there is “Sage”. The payroll accounting is outsourced to an external service provider (ADP) since January 2020.

The nature, scope and result of the measures performed by us as part of the audit review are recorded in our working papers.

D. CERTIFICATE

To August Faller Artwork Solutions GmbH, Waldkirch

We have reviewed the statutory financial statements of August Faller Artwork Solutions GmbH, Waldkirch, for the period from April 1, 2024 to March 31, 2025. The preparation of these financial statements in accordance with German commercial law is the responsibility of the Company’s management. Our responsibility is to issue a report on the financial statements based on our review.

We conducted our review of the financial statements in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the review to obtain a certain level of assurance in our critical appraisal to preclude that the financial statements are not prepared, in all material respects, in accordance with German commercial law. A review is limited primarily to making inquiries of company personnel and applying analytical procedures and thus does not provide the assurance that we would obtain from an audit of financial statements. In accordance with our engagement, we have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the financial statements are not prepared, in all material respects, in accordance with German commercial law and articles of incorporation and bylaws.

Neuss, May 7, 2025

SHWP GmbH
Wirtschaftsprüfungsgesellschaft

Goossens]
Wirtschaftsprüfer
[German Public Auditor]

BALANCE SHEET AS OF MARCH 31, 2025

			3/31/2025	3/31/2024
			EUR	EUR
A.	**Fixed Assets**			
	II.	**Property, plant and equipment**		
		Other equipment, operational and office equipment	**30,420.94**	39,583.87
B.	**Current Assets**			
	I.	**Inventories**		
	1.	Work in progress	**86,594.21**	93,479.16
	II.	**Receivables and other assets**		
	1.	Trade receivables	**252,036.88**	47,910.67
	2.	Receivables due from affiliated companies	**101,148.92**	121,777.96
	3.	Other assets	**0.00**	2,990.25
			353,185.80	172,678.88
	III.	**Cash on hand and cash in banks**	**101,989.46**	37,405.94
			541,769.47	303,563.98
C.	**Prepaid expenses**		**51,892.94**	19,556.23
D.	**Deficit not covered by equity**		**13,861.69**	0.00
			637,945.04	362,704.08

EQUITY AND LIABILITIES

			3/31/2025	3/31/2024
			EUR	EUR
A.	**Equity**			
	I.	**Subscribed capital**	**200,000.00**	200,000.00
	II.	**Retained Earnings**	**6,386.12**	152,989.36
	III.	**Net loss**	**-220,247.81**	-146,603.24
	IV.	**Uncoverd losses**	**13,861.69**	0.00
			0.00	206,386.12
B.	**Accruals**			
	1.	Other accrued liabilities	**218,138.01**	88,517.47
C.	**Liabilities**			
	1.	Trade payables	**6,359.30**	4,662.01
	2.	Payables due to affiliated companies	**405,706.32**	63,138.48
	3.	Other liabilities	**7,741.41**	0.00
			419,807.03	67,800.49
			637,945.04	362,704.08

AUGUST FALLER ARTWORK SOLUTIONS GMBH.

INCOME STATEMENT

April 1, 2024 to March 31, 2025

		EUR	EUR
1.	Sales	**2,059,255.85**	2,031,819.18
2.	Change in work in progress	**-6,884.95**	7,947.18
3.	Other operating income	**123,282.91**	121,342.19
4.	Personnel expenses		
	a) Wages and salaries	**-1,582,892.54**	-1,541,586.09
	b) Social security	**-326,632.03**	-310,818.65
		-1,909,524.57	-1,852,404.74
5.	Depreciation		
	on intangible assets and property, plant and equipment	**-27,783.47**	-31,002.14
6.	Other operating expenses	**-458,593.58**	-422,994.91
7.	Other interest and similar expenses	**0.00**	-1,310.00
8.	Net loss for the year	**-220,247.81**	-146,603.24

NOTES TO STATUTORY FINANCIAL STATEMENTS FOR THE FISCAL YEAR 2024/2025

A. General information on the annual financial statements

The Company is registered in the Commercial Register at the Local Court of Freiburg, No. HRB 701134, under the name August Faller Artwork Solutions GmbH. The registered office of the Company is in Waldkirch.

The annual financial statements of August Faller Artwork Solutions GmbH have been prepared on the basis of the accounting provisions of the German Commercial Code (HGB) and the supplementary provisions of the German Limited Liability Companies Act (GmbHG).

The Company is still a small corporation within the meaning of Section 267 (1) HGB.

The reporting period is April 1 to March 31 of the following year.

B. Information on accounting and valuation methods

The annual financial statements of August Faller Artwork Solutions GmbH have been prepared in accordance with the accounting and valuation regulations of the German Commercial Code.

The accounting and valuation methods have been retained unchanged from the previous fiscal year.

The following accounting and valuation methods were applied to the balance sheet items:

Property, plant and equipment are stated at cost and, where their useful lives are finite, depreciated on a straight-line basis. The useful lives of the assets have been set at 3 to 15 years. The tax depreciation rates do not apply. Same applies to small value items: usable assets with a value between EUR 250.00 and EUR 800.00 are not fully depreciated in the year of acquisition.

Work in progress has been valued at production cost in accordance with its degree of completion. They are valued retroactively on the basis of the selling price.

Receivables and other assets are stated at nominal value. Identifiable individual risks are accounted for by specific valuation allowances.

Cash in hand and bank balances are stated at nominal value.

Other accruals are valued at the amount required to settle the obligation according to prudent business judgment.

Liabilities are stated at their settlement amount.

Deferred tax assets resulting from loss carry forwards are not recognized.

C. Notes to balance sheet

The development of fixed assets in the financial year (April 1, 2023 to March 31, 2024) is shown in the appendix to the notes.

Receivables from shareholders only comprise trade accounts receivable (as in previous year).

Liabilities include interest-bearing liabilities to shareholders from other liabilities amounting to EUR 190,000.00 (previous year: EUR 50,000.00).

All liabilities have a remaining term of less than one year (as in previous year).

Trade payables are secured by customary retention of title.

D. Other disclosures

The deficit not covered by equity is the result of the Company's three-year loss-making phase, which has now completely exhausted the profit carried forward from previous years. The shareholder has started to restructure the business operations.

The average number of employees during the fiscal year was 36 people.

There are financial obligations from rental agreements with third parties amounting to kEUR 104 p.a.

In the fiscal year, Mr. Michael Fleming, Dublin / Ireland was the full-time and sole managing director of August Faller Artwork Solutions GmbH. Sole power of attorney is still granted to Ms. Stefanie Glocker, Ebringen and Mr. Alan Leamy, Kildare / Ireland.

The annual financial statements of August Faller Artwork Solutions GmbH are included in the consolidated financial statements of Tech Mahindra Ltd, Pune/India - as the ultimate parent company. For the smallest group of companies, Perigord Asset Holdings Ltd, Dublin/Ireland, prepares consolidated financial statements as of the balance sheet date March 31 of each year.

Waldkirch, April 8, 2025

(signed)
Michael Flemming

GEOMATIC.AI PTY LTD

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

Board of Directors

Mr. Anshul Sarin, Director

Mr. David Chervathur Mathew, Director

Mr. Harshvendra Soin, Director

Mr. Bharath Vasudevan, Director

Mr. Kunal Chetan Jesrani, Director

Registered Office

6Level 7, 607 Bourke Street
Melbourne, Victoria 3000

Bankers

HSBC Bank

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

Particulars	Note	Year ended 31 March 2025 AUD (Un-Audited)	Year ended 31 March 2024 AUD (Audited)
Income			
Revenue	1	**9,496,337.00**	12,573,381.00
Other income	1(c)	**380.00**	3,503.00
Total revenue and other income		**9,496,717.00**	12,576,884.00
Expenses			
Employee benefits expenses	2(a)	**9,070,077.00**	7,365,327.00
Subcontracting expenses	2(b)	**2,280,732.00**	4,117,466.00
Hardware and software expenses		**3,239,302.00**	2,022,346.00
Marketing and promotion expenses		**25,446.00**	-
Travel and entertainment expenses		**166,005.00**	265,921.00
Professional fees	2(c)	**210,679.29**	149,575.00
Depreciation expenses		**70,857.00**	242,978.00
Foreign exchange (loss)/gain, net		**61,218.00**	82,326.00
Impairment expense	2(d)	**269,439.00**	151,747.00
Provision for doubtful debts		**-**	825,000.00
Auditor’s remuneration		**28,755.47**	15,800.00
Finance expenses	2(e)	**398,591.00**	269,231.00
Other expenses	2(f)	**660,066.24**	191,280.00
Total expenses		**16,481,168.00**	15,698,997.00
(Loss)/Profit before income tax		**(6,984,451.00)**	(3,122,113.00)
Income tax benefit / (expense)	3	**-**	(244,116.00)
(Loss)/Profit for the year/period		**(6,984,451.00)**	(3,366,229.00)
Other comprehensive income/ (loss), net of income tax		**-**	-
Total comprehensive income/ (loss) for the year/period		**(6,984,451.00)**	(3,366,229.00)

David Mathew
Director & Secretary

Lata Shinde
Tech Mahindra Ltd - Finance

Date: June 13, 2025

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

Particulars	Note	As on 31 March 2025 AUD (Un-Audited)	As on 31 March 2024 AUD (Audited)
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	**450,994.00**	653,821.00
Trade and other receivables	5	**894,425.00**	820,604.00
Contract assets	1(a)	**1,072,295.00**	1,560,932.00
Dues from related parties	13	**1,555,789.00**	340,250.00
Income tax receivable		**191,673.00**	193,536.00
TOTAL CURRENT ASSETS		**4,165,176.00**	3,569,143.00
NON-CURRENT ASSETS			
Property, plant and equipment, Software	6	**207,516.00**	285,745.00
Right-of-use assets	7	**155,279.00**	204,098.00
Dues from shareholders		**100.00**	1,581,112.00
Security Deposits		**37,848.00**	37,848.00
TOTAL NON-CURRENT ASSET		**400,743.00**	2,108,803.00
TOTAL ASSETS		**4,565,919.00**	5,677,946.00
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	**551,246.43**	784,180.00
Contract liabilities	3(b)	**1,675,207.00**	923,057.00
Dues to related parties	13	**2,645,026.57**	915,476.00
Loans payable to related party	13	**7,000,000.00**	5,500,000.00
Lease liabilities Current	8	**74,022.00**	140,697.00
Provisions Current	10	**4,038,279.00**	1,641,969.00
Income tax payable		**-**	-
TOTAL CURRENT LIABILITIES		**15,983,781.00**	9,905,379.00
NON-CURRENT LIABILITIES			
Lease liabilities Non Current		**119,395.00**	119,395.00
Provisions Non Current		**-**	205,978.00
TOTAL NON-CURRENT LIABILITIES		**119,395.00**	325,373.00
TOTAL LIABILITIES		**16,103,176.00**	10,230,752.00
NET (LIABILITIES)/ASSETS		**(11,537,257.00)**	(4,552,806.00)
EQUITY			
Issued capital	11	**100.00**	100.00
(Accumulated losses)/retained earnings		**(11,537,357.00)**	(4,552,906.00)
TOTAL EQUITY		**(11,537,257.00)**	(4,552,806.00)

David Mathew
Director & Secretary

Lata Shinde
Tech Mahindra Ltd - Finance

Date: June 13, 2025

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

Particulars	Note	Issued Capital AU$	Retained Earnings AU$	Total AU$
2024				
Balance at 1 April 2023		100	(1,186,677.00)	(1,186,577.00)
Loss for the year after tax		-	(3,366,229.00)	(3,366,229.00)
Other comprehensive loss for the year		-	-	-
Total comprehensive loss for the year		**100**	**(4,552,906.00)**	**(4,552,806.00)**
Balance at 31 March 2024 - Audited		**100**	**(4,552,906.00)**	**(4,552,806.00)**
2025				
Balance at 1 April 2024		100	(4,552,906.00)	(4,552,806.00)
Loss for the year after tax		-	(6,984,451.00)	(6,984,451.00)
Other comprehensive loss for the year		-	-	-
Total comprehensive loss for the year		**100**	**(11,537,357.00)**	**(11,537,257.00)**
Balance at 31 March 2025 - Un-audited		**100**	**(11,537,357.00)**	**(11,537,257.00)**

David Mathew
Director & Secretary

Lata Shinde
Tech Mahindra Ltd - Finance

Date: June 13, 2025

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Particulars	Note	Year ended 31 March 2025 AUD (Un-Audited)	Year ended 31 March 2024 AUD (Audited)
NOTE 1 REVENUE			
Revenue from contract with customers		**9,343,877.00**	9,746,929.00
Revenue from contract with related parties	13	**152,460.00**	2,826,452.00
Total revenue from contracts with customers	1	**9,496,337.00**	12,573,381.00
Interest income		**380.00**	3,503.00
Other revenue		**-**	-
Total other revenue	1(c)	**380.00**	3,503.00
Total revenue and other income		**9,496,717.00**	12,576,884.00
Disaggregation of revenue and other income			
Income Recognised Over a Period of Time		**9,496,337.00**	12,573,381.00
Income Recognised at a Point in Time		**380.00**	3,503.00
Total revenue and other income		**9,496,717.00**	12,576,884.00
Assets and liabilities related to contract with customers			
The Company has recognised the following assets and liabilities related to contracts with the customers			
a) Contract assets			
Current contract assets related to services work – work-in-progress		**1,072,295.00**	1,560,932.00
Total contract assets		**1,072,295.00**	1,560,932.00
Movement in carrying amounts			
Balance as at the beginning of the year/period		**1,560,931.72**	2,295,726.00
Add: Raised during the year/period		**9,496,337.00**	24,721,709.72
Less: Billed and reversed during the year/period		**(9,984,973.72)**	(25,456,504.00)
Balance as at the end of the year/period		**1,072,295.00**	1,560,931.72
The above relates to contracts where the Company has recognised the asset for work performed and payments happen on milestones achieved. A contract asset is recognised for work previously performed. When invoices are raised, any amount that has previously been classified as a contract asset will be reclassified to trade receivables.			
b) Contract liabilities			
Deferred revenue		**1,675,207.00**	923,057.00
Total contract liabilities		**1,675,207.00**	923,057.00
Movement in carrying amounts			
Balance as at the beginning of the year/period		**923,057.00**	1,354,834.00
Invoice raised in advance or money received in advance		**3,067,665.00**	17,052,468.00
Recognise as revenue during the year/period		**(2,315,515.00)**	(17,484,245.00)
Balance as at the end of the year/period		**1,675,207.00**	923,057.00

The contract liabilities pertains to amounts received in advance from customers against their service contracts.

Particulars	Note	Year ended 31 March 2025 AUD (Audited)	Year ended 31 March 2024 AUD (Audited)
NOTE 2 : EXPENSES			
a) Employee benefits expenses			
Salaries and wages		**6,615,503.30**	7,069,048.00
Employee bonus		**23,479.82**	42,001.12
Reversal of bonus accrual overprovided in prior years		**-**	(476,520.00)
Superannuation expenses		**670,029.63**	701,212.00
Severance pay		**1,653,567.00**	-
Leave encashment		**(9,081.30)**	3,914.00
Staff welfare		**5,054.80**	14,978.00
Other employee benefit expenses		**111,523.17**	10,694.00
Total employee benefits expenses		**9,070,076.42**	7,365,327.12
b) Subcontracting expenses			
Subcontracting – external third parties		**433,140.75**	1,829,380.00
Subcontracting – related parties	13	**1,847,591.25**	2,288,086.00
Total subcontracting expenses		**2,280,732.00**	4,117,466.00
c) Professional fees			
Accounting services		**76,216.42**	74,756.00
Taxation		**78,844.00**	10,294.00
Human resource		**-**	-
Legal		**-**	-
Other		**55,618.87**	64,525.00
Total professional fees		**210,679.29**	149,575.00
(d) Impairment expense			
Impairment of capital work in progress		**-**	133,509.00
Impairment of receivables		**269,439.00**	18,238.00
Total impairment expense		**269,439.00**	151,747.00
e) Finance expenses			
Interest expense – leases		**12,660.00**	11,863.00
Interest expense – related party loans	13	**371,610.00**	245,683.00
Other		**14,321.00**	11,685.00
Total finance expenses		**398,591.00**	269,231.00
f) Other expenses			
Utilities- Electricity		**14,263.71**	-
Water Chgs.		**2,087.69**	-
Rates & Taxes		**137,444.81**	-
Sundry Balances W/Off		**25,223.05**	-
Communication Expenses		**20,813.13**	-
Repairs & Maintainance		**401,715.45**	-
Insurance		**57,790.92**	-
Miscellaneous		**727.48**	191,280.00
		660,066.24	191,280.00

Particulars	Note	Year ended 31 March 2025 AUD (Audited)	Year ended 31 March 2024 AUD (Audited)
NOTE 3 INCOME TAX EXPENSE			
(a) The major components of tax expense / (income) comprise:			
Current tax expense			
Local income tax - current period		**-**	244,116.00
Deferred tax expense		**-**	-
Deferred tax (expense)/income		**-**	-
Income tax benefit/(expense)		**-**	244,116.00
(b) Reconciliation of income tax to accounting profit:			
Prima facie tax payable on (loss)/profit from ordinary activities before income tax at 30% (2024: 30%)		**-**	(1,009,869.00)
Imputation credits recognised		**-**	193,536.00
Deferred tax not recognised		**-**	980,129.00
Recognition / (Derecognition) of temporary differences		**-**	80,320.00
Non-deductible expenses		**-**	-
Total income tax expense		**-**	244,116.00

Unused tax losses Deferred tax assets have not been recognised in respect of the following items because it is not probable that the future taxable profit will be available against which the Company can use the benefits therefrom, the unused tax losses as at 31 March 2025 is $11537000 (2024: $3,267,097)

Particulars	Note	Year ended 31 March 2025 AUD (Un-Audited)	As on 31 March 2024 AUD (Audited)
NOTE 4 CASH AND CASH EQUIVALENTS			
Cash at bank		**450,994.00**	653,821.32
Total cash and cash equivalents		**450,994.00**	653,821.32
NOTE 5 TRADE AND OTHER RECEIVABLES			
Trade receivables		**1,069,492.00**	1,573,451.00
Less: Expected credit loss		**-**	-
Total trade receivables		**1,069,492.00**	1,573,451.00
Prepayments		**183,954.00**	72,153.00
Others and Advances to suppliers		**465,979.00**	-
Provision for Doubtful Debts		**(825,000.00)**	(825,000.00)
Total trade and other receivables		**894,425.00**	820,604.00
NOTE 6 PROPERTY, PLANT AND EQUIPMENT			
Office equipment, computer hardware and software	(a)	**207,516.00**	285,745.00
Capital work in progress	(b)	**-**	-
Total property, plant and equipment		**207,516.00**	285,745.00
(a) Office equipment and computer hardware			
Office equipment and computer hardware at cost		**240,843.00**	199,616.00
Less: Accumulated depreciation		**(111,432.00)**	(86,333.00)
Total Office equipment and computer hardware		**129,411.00**	113,283.00
Computer software at cost		**78,105.00**	172,462.00
Less: Accumulated depreciation		**-**	-
Total computer software		**78,105.00**	172,462.00
Total office equipment, computer hardware and software		**207,516.00**	285,745.00

Movements in carrying amounts Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial period:

Particulars	Office equipment and computer hardware AUD	Computer Software	TOTAL
2025			
Balance at 1 April 2024	113,283.76	172,372.00	285,655.76
Additions	41,226.24	(94,267.00)	(53,040.76)
Depreciation expense	(25,099.00)	-	(25,099.00)
Balance at 31 March 2025	**129,411.00**	**78,105.00**	**207,516.00**
2024			
Balance at 1 April 2023	133,050.00	78,015.00	211,065.00
Additions	5,655.00	94,357.00	100,012.00
Depreciation expense	(25,421.24)	-	(25,421.24)
Balance at 31 March 2024	**113,283.76**	**172,372.00**	**285,655.76**

Particulars	Note	Year ended 31 March 2025 AUD (Un-Audited)	As on 31 March 2024 AUD (Audited)
(b) Capital work in progress			
Opening Balance 1 April 2024		**-**	133,509.00
Additions		**-**	-
mpaired (refer to Note 4(d))		**-**	(133,509.00)
Transfer to fixed assets		**-**	-
Balance at 31 March 2025		**-**	-

NOTE 7 RIGHT-OF-USE ASSETS

The office lease is non-cancellable lease with 3 years term. Rental is payable quarterly in advance, increase by fixed percentage of 3% on each year and expires in March 2026. Lease payments are discounted at 1.5% per annum

Particulars	Note	Year ended 31 March 2025 AUD (Un-Audited)	As on 31 March 2024 AUD (Audited)
Right-of-use of premises		**1,109,623.00**	763,149.00
Accumulated amortisation		**(954,344.00)**	(559,051.00)
Total right-of-use assets		**155,279.00**	204,098.00
Movement in carrying amounts			
At beginning of the year/period		**204,098.00**	423,841.00
Adjustments during the year/period		**(3,383.00)**	(2,187.00)
Amortisation during the year/period		**(45,436.00)**	(217,556.00)
Balance at end of the year/period		**155,279.00**	204,098.00
Amount recognised in profit or loss			
Amortisation charge		**45,436.00**	217,556.00
Interest expense on lease liabilities		**12,660.00**	11,863.00

NOTE 8 LEASE LIABILITIES

CURRENT			
Lease liabilities		**74,022.00**	140,697.00
Total current lease liabilities (A)		**74,022.00**	140,697.00
NON-CURRENT			
Lease liabilities		**119,395.00**	119,395.00
Total non-current lease liabilities (B)		**119,395.00**	119,395.00
Total lease liabilities (A) + (B)		**193,417.00**	260,092.00
Movement in carrying amounts			
Balance at 1 April		**260,092.00**	416,145.00
Payment (net) made during the year/period		**(66,675.00)**	(156,053.00)
Balance at 31 March		**193,417.00**	260,092.00
Total future lease payments at the end of reporting period			
No later than 1 year		**162,173.00**	154,042.00
Between 1 to 5 years		**-**	122,858.00
Total future lease payments		**162,173.00**	276,900.00

Particulars	Note	Year ended 31 March 2025 AUD (Un-Audited)	As on 31 March 2024 AUD (Audited)
NOTE 9 TRADE AND OTHER PAYABLES			
Trade payables		**3,315.43**	358,026.00
Salaries and other employee benefits payable		**560,767.00**	171,363.00
Accrued expenses		**9,860.00**	194,911.00
GST payable		**-**	3,483.00
Other payables		**(22,695.00)**	56,397.00
Total trade and other payables		**551,247.43**	784,180.00
NOTE 10 PROVISIONS			
Current			
Provision for long service leave		**536,255.00**	875,339.00
Provision for annual leave and Accrued salaries		**2,329,395.00**	587,097.00
Provision for bonus		**573,629.00**	179,533.00
Total current provisions (A)		**3,439,279.00**	1,641,969.00
Non-current provision			
Provision for long service leave		**599,000.00**	205,978.00
Provision for make good		**-**	-
Total non-current provisions (B)		**599,000.00**	205,978.00
Total provisions – (A) + (B)		**4,038,279.00**	1,847,947.00
Movement in provisions:			
Balance at 1 April		**1,847,947.00**	2,431,309.00
Net changes during the period		**2,190,332.00**	(583,362.00)
Balance at 31 March		**4,038,279.00**	1,847,947.00

Particulars	Note	Year ended 31 March 2025 AUD (Un-Audited)	As on 31 March 2024 AUD (Audited)
NOTE 11 ISSUED CAPITAL			
100 (31 March 2024: 100) ordinary shares (each $1)		**100.00**	100.00
NOTE 12 FINANCIAL RISK MANAGEMENT			
Financial assets			
Cash and cash equivalents	4	**450,994.00**	653,821.32
Trade and other receivables	5	**1,069,492.00**	786,299.00
Contract assets	1(a)	**1,072,295.00**	1,560,932.00
Due from related parties	13	**1,555,789.00**	340,250.00
Due from shareholder		**100.00**	1,581,112.00
Total financial assets		**4,148,670.00**	4,922,414.32
Financial liabilities			
Trade and other payables	9	**551,247.43**	585,786.00
Lease liabilities	8	**193,417.00**	260,092.00
Contract liabilities	1(b)	**1,675,207.00**	923,057.00
Loans payable to related parties	13	**7,000,000.00**	5,500,000.00
Due to related parties		**2,645,026.57**	915,476.00
Total financial liabilities		**12,064,898.00**	8,184,411.00

NOTE 13 RELATED PARTIES

Transactions with related parties are as follows:

The Company's main related parties are as follows:

Entities exercising control over the Company

The ultimate parent company, which exercises control over the Company, is Tech Mahindra Limited, which is incorporated in India.

The parent company is Tech Mahindra (Singapore) Pte which is incorporated in Singapore and owns 80% of Geomatic.AI Pty Ltd.

Key Management Personnel

The total remuneration paid to key management personnel of the Company is $ (2024: AU$989,964)

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Particulars	Note	Year ended 31 March 2025 AUD (Un-Audited)	As on 31 March 2024 AUD (Audited)
(a) Transactions with related parties			
(i) Services received			
Tech Mahindra Limited		**1,847,591.00**	2,272,017.00
Tech Mahindra Indonesia		**-**	16,069.00
Total services received	2(b)	**1,847,591.00**	2,288,086.00
(ii) Services provided			
AusNet Services		**1,479,094.00**	2,536,720.00
Tech Mahindra Limited		**152,460.00**	100,967.00
Mondo Power Pty Ltd		**-**	188,765.00
Total services provided	1	**1,631,554.00**	2,826,452.00
(iii) Expenses			
Mondo Power Pty Ltd	2(c)	**-**	-
Tech Mahindra Digital PTY LTD – Interest expense	2(d)	**371,610.00**	245,683.00
Total expenses		**371,610.00**	245,683.00
(b) Balances with related parties			
(i) Dues from related parties			
AusNet Services		**827,200.00**	1,165,250.00
Less: Provision for doubtful debt		**(825,000.00)**	(825,000.00)
Total dues from related parties		**2,200.00**	340,250.00

During the financial year 2023-24, the Company recognized a provision of $825,000 in relation to a disputed project with AusNet Services, a related party. The provision arises from Management's assessment of the recoverability of outstanding balances associated with this project. Based on this assessment, Management has determined that the full balance of the project is unlikely to be recovered, resulting in the recognition of a provision for the entire amount and a write off of billed receivable. Refer to Note 4(d).

Particulars	Note	Year ended 31 March 2025 AUD (Un-Audited)	As on 31 March 2024 AUD (Audited)
(1a) Dues from holding company			
Tech Mahindra (Singapore) Pte Ltd		**1,555,789.00**	1,581,112.00
Total Dues from holding company		**1,555,789.00**	1,581,112.00

Balances pertains to advances from Holding Company to fund the Company's initial employment-related liabilities and deferred revenue obligations during its acquisition in 2022. These balances are to be settled within the next 12 months.

18(b)

(i)	**Dues to related parties**		
	Tech Mahindra Digital Pty Ltd (Interest on Loan payable)	**50,786.24**	25,508.00
	Tech Mahindra Ltd	**2,594,241.00**	889,968.00
	Total dues to related parties	**2,645,027.24**	915,476.00

Particulars	Note	Year ended 31 March 2025 AUD (Un-Audited)	As on 31 March 2024 AUD (Audited)
(ii) Loan payable to related parties			
Tech Mahindra Digital Pty Ltd		**7,000,000.00**	5,500,000.00
Total loan payable to related parties		**7,000,000.00**	5,500,000.00

The loan payable to Tech Mahindra Digital Pty Ltd accrues interest at the Bank Bill Swap Rate (BBSW) plus 1%. During the year, earlier loans were extended. Additionally, the Company secured a new loan of $1,500,000 under the same terms. YE 31 March 25 all ourstanding loans are futrher extended.

PRINCIPAL PLACE OF BUSINESS

The Company's registered office and principal place of business is:
30-32 Cromwell Street,
Collingwood VIC 3066,
Victoria, Australia.

David Mathew
Director & Secretary

Lata Shinde
Tech Mahindra Ltd - Finance

Date: June 13, 2025

TECH MAHINDRA FOUNDATION

Board of Directors
Mr. Anand G. Mahindra
Mr. Mohit Joshi
Dr. Anish Shah

Registered Office:
Oberoi Gardens Estate, Chandivali,
Off Saki Vihar Road,
Andheri (E),
Mumbai - 400 072, India

Bankers:
IDBI Bank
Canara Bank
ICICI Bank
Kotak Mahindra Bank Limited
State Bank of India
DBS Bank India Ltd.

Auditors:
B. K. Khare & Company
Chartered Accountant

BOARDS' REPORT

Your Directors present their Twentieth Annual Report of your Company for the year ended 31st March, 2025.

FINANCIAL SUMMARY

Figures in ₹ in Lacs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Donations received	**3,083.03**	4,955.61
Interest received on investments	**939.34**	975.72
Expenditure on the objects of the Company	**6,514.34**	6,159.51
Corpus fund	**12,366.22**	12,366.22
Retained Earnings	**543.10**	2,561.13

REVIEW OF ACTIVITIES

The Foundation was set up in 2006, as a Section 25 Company (referred to as a Section 8 Company in the Companies Act, 2013). Since then, it has worked tirelessly towards the overarching vision of "Empowerment through Education", establishing itself as a prominent CSR player within the Mahindra Group as well as a leading social organization at the national level. The Foundation essentially works with children, youth and teachers from disadvantaged urban communities in India, with a special focus on women and persons with disabilities. During the year under review, ("TMF" or "The Foundation" or "the Company") has successfully implemented around 150 high-impact projects with more than 80 partners, directly benefitting 182,004 individuals.

EDUCATION

The key initiatives taken up by TMF in the arena of school education include:

ALL ROUND IMPROVEMENT IN SCHOOL EDUCATION (ARISE)

Tech Mahindra Foundation's educational initiatives under ARISE are long term school improvement programmes, in partnership with local governments and partner organisations. The Foundation in 2024-25 worked with 18 primary & secondary schools to transform them into model schools of excellence. A total of 6,200 students were positively impacted under this programme, of which 4,540 were girls.

During the year, TMF expanded its work for children with special needs through its ARISE+ programme. This programme is a variant of ARISE in which children with special needs are provided chronic therapy as well as special education to help them lead more fulfilling lives. Through 37 projects, the programme enabled 5,481 children with special needs to become better learners with greater independence in managing their lives. In projects in early identification, as many as 3,031 children were screened for hearing impairment.

SHIKSHAANTAR

Shikshaantar, envisioned as a programme for enhancing the capacity of government school teachers, has emerged as an important programme in the education portfolio of the Foundation. TMF works with the Municipal Corporation of Delhi by running their In-Service Teacher Education Institutes. As part of this programme, TMF has the responsibility of training teachers from close to 1,500 primary schools in Delhi. During the year under review, as many as 4,470 teachers were trained as part of Shikshaantar. In addition, as many as 3,124 teachers and school staff received short-duration training modules in areas such as Child Safety and Digital Literacy by the Foundation.

MOBILE SCIENCE LAB & ROBOTICS LAB

TMF has identified STEM (Science, Technology, Engineering & Math) as an important intervention area in school education, and as part of this has been running the Mobile Science Lab (MSL) and the Robotics Lab in Delhi. A Mahindra bus has been remodeled to become a science lab on wheels and has been travelling from school to school in East Delhi to provide STEM learning for children in grades 3 and 4 covering 20 schools. This program benefited as many as 5,334 girl students and 131 teachers throughout the year.

EMPLOYABILITY

Skills-for-Market Training (SMART) is the Foundation's flagship programme in employability. It is built on the vision of an educated, enabled and empowered India, and the belief that educated and skilled youth are the country's true strength. The programme started with 3 Centres in 2012 and in 2024-25, ran 73 Centres at 11 locations across India. These include SMART Centres and SMART+ Centres (training for people with disabilities).

In 2024-25, your Company trained 21,665 young women and men under its SMART program, of which, 1,322 were persons with disabilities. More than 75% of the graduates are placed in jobs across multiple industries upon successful completion of the training. The average salaries being earned by the graduates of the SMART program have been steadily rising, with a jump of over 26% since 2019-20.

The Foundation's commitment to setting new benchmarks in skill development in India has been underscored by the setting up of Tech Mahindra SMART Academies, which provide the highest quality of skill training to youngsters in Healthcare, Digital Technologies, and Logistics. During financial year 2024-25, 3,403 students were trained at the twelve Academies that are now functional – 5 in Healthcare, 3 in Digital Technologies, and 4 in Logistics.

An important highlight for the year was a collaboration between Tech Mahindra Foundation and the Michael & Susan Dell Foundation. The two Foundations joined hands to launch a program called SMARTH (SMART-Healthcare), as part of which TMF set up a network of 15 additional skill development centres in Healthcare in addition to its 5 Academies. Some of these are at greenfield locations such as Ludhiana, Patiala, Nashik, Aurangabad, Raigad, and Cuttack.

TMF'S OUTREACH INITIATIVES

TMF made an important start in financial year 2024-25 in collaboration with the National Skill Development Corporation (NSDC), by launching Digital Skilling programs through the Skill India Digital portal, an initiative of Government of India. In this portal, TMF provided a courses on Cybersecurity, Financial Literacy, Mental Wellbeing, etc. which, attracted 66,258 users. Through other platforms we attracted 24,380 users. We also launched digital initiatives for teachers which includes Growing Minds, Early Childhood Care Essentials: Building A Strong Foundation, Math Essentials: Unlocking Power of Numbers and ADHD: Beyond Labels which attracted 1251 users. Through all our digital initiatives we are able to reach 91,899 users in 2024-25.

OVERALL IMPACT

The overall number of direct beneficiaries of Tech Mahindra Foundation for FY 2024-25 is 1,82,004. Of these, there are 1,23,806 youth beneficiaries from SMART, its flagship Skill Development Program, 46,631 children, who have got the benefit of its ARISE & ARISE+ programs, and 11,567 teachers & non-academic staff who have been trained through the Shikshaantar program focusing on teachers capacity building. From a gender perspective, there were 85,205 girls and women, 38 transgender persons, and the rest were males. Also, a total of 6,993 persons with disabilities were included in the beneficiary count.

MATERIAL CHANGES AND COMMITMENTS

There are 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.

There was no change in the nature of business and operations of the Company during the year under review.

SIGNIFICANT AND MATERIAL ORDERS / PROCEEDINGS

During the year under review, there were no orders passed by the regulators or courts or tribunals which would impact the going concern status and Company's operations in future.

PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKCRUPTCY CODE, 2016

No application against the Company has been filed or is pending under the Insolvency and Bankruptcy Code, 2016, nor the Company has done any one time settlement with any Bank or Financial institutions.

DIFFERENCE IN VALUATION

The company has not made any one-time settlement against the loans obtained from Banks and Financial Institution during the financial year. Hence this clause is not applicable.

FIXED DEPOSITS

Your Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as on the date of balance sheet 31st March, 2025.

INTERNAL FINANCIAL CONTROL

The Company has in place adequate Internal Financial Control System, some of which are as under:

1. All accounting entries are passed through a fully integrated and robust system;

2. The accounting entries are further periodically reviewed to maintain the integrity of the books of accounts by the internal team;

There are no adverse remarks or qualified opinion expressed by the Statutory Auditors in their report for Internal Financial Control.

COST RECORD

The provision of Cost audit as per Section 148 of the Companies Act, 2013 (“Act”) is not applicable to the Company.

AUDITOR

The members, in the 17th Annual General Meeting held on 26th July, 2022, appointed M/s B. K. Khare & Co., Chartered Accountants, [ICAI Registration No.105102W] as the Auditors of the Company, to hold office for a further term of five consecutive years from the conclusion of the 17th 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 members may note that the Ministry of Corporate Affairs vide notification dated 7th May, 2018, has done away with the requirement of yearly ratification of appointment of Statutory Auditor, at the Annual General Meeting.

There are no qualifications, reservation or adverse remark or disclaimer made in the audit report for the financial year 2024-25.

REPORTING OF FRAUDS BY AUDITOR

During the year under review, the Statutory Auditor has not reported any instances of frauds committed in the Company by its Officers or Employees under section 143(12) of the Act.

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 ₹ 5,00,000 comprising of 50,000 equity shares of Face Value of ₹ 10/- each, fully paid up.

ANNUAL RETURN

The annual return as on the financial year ended 31st March, 2025 in Form MGT - 7 is available on the web-link: https://techmahindrafoundation.org/reports/

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars prescribed as per Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014.

A. Conservation of energy: Conservation of energy is of utmost significance to the Company. Operations of the Company are not energy intensive. However, every effort is made to ensure optimum use of energy by using energy- efficient computers, processes and other office equipment. Constant efforts are made through regular/ preventive maintenance and upkeep of existing electrical equipment to minimize breakdowns and loss of energy.

B. Research and Development: No amount was spent on Research and Development during the year under review.

C. Foreign Exchange Earnings (Donations Received) and outgo:

Earnings	A total donation of ₹615.44 lacs was received, out of which ₹463.36 lacs has been recognized as income for the current year. The balance ₹152.08 Lacs remains unutilized, as it was received for specific purposes and is intended to be utilized in FY 2025–26.
Outgo	NIL

CORPORATE SOCIAL RESPONSIBILITY

The provisions relating to Corporate Social Responsibility are not applicable to the Company for the year under review, and no CSR expenditure or reporting is required for the financial year 2024-25.

DIRECTORS

As per Article 16 of the Articles of Association of the Company, all Directors retire at the ensuing Annual General meeting and are eligible for re-appointment.

During the year under review Mr. Vineet Nayyar (DIN: 00018243) resigned as Director of the Company on 25th April, 2024. The Board has expressed its deep gratitude towards his contribution, wisdom and leadership to the Company during his tenure as Director.

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Act. The Directors of the Company have made necessary disclosures under Section 184 and other relevant provisions of the Act.

NUMBER OF BOARD MEETINGS AND GENERAL MEETINGS

During the year under review, two Board Meetings were held on 24th April, 2024 and 19th October, 2024. The Company being a Section 8 Company, intervening gap between the meetings was within the period prescribed under the Act.

Presence/ attendance of Directors in the meetings:

Name of Directors	**24th April, 2024**	**19th October, 2024**
Mr. Anand G. Mahindra	✓	✓
Mr. Vineet Nayyar*	✓	NA
Mr. Mohit Joshi	✓	✓
Dr. Anish Shah	✓	✓

*Mr. Vineet Nayyar resigned as Director of the Company on 25th April, 2024.

During the year under review, an Annual General Meeting was held on 25th July, 2024. The details of the same are given below:

Special Businesses Transacted	Total number of member entitled to attend	No. of Members Present	% of total holding of Members present
Approval for appointment of Mr. Mohit Joshi (DIN: 08339247) as a Director of the Company	7	7	100

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not given any loans or guarantees or investment under Section 186 of the Act.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into with the Related Parties as defined under the Act during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Act. Suitable disclosure as required by the Indian Accounting Standards (IND AS 24) has been made in the notes to the Financial Statements.

The particulars of related party transactions in prescribed Form AOC – 2 is annexed herewith as **"Annexure 1"**.

RISK MANAGEMENT

The Company risk management is forming part of the internal audit and 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.

WHISTLE BLOWER MECHANISM

The Board has adopted the Whistle Blower policy for the Company. The policy sets out ways through which the stakeholders can raise concerns that relate to actual or suspected violations to the Ethics Committee and or Corporate Ombudsman office.

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company at group level has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up a Committee for implementation of the said policy. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and nil cases are pending as on 31st March, 2025.

Your Company considers its moral, ethical and legal obligations with utmost seriousness and thus respects the mandate of law through this policy.

COMPLIANCE WITH SECRETARIAL STANDARD

The Company has Complied with the applicable Secretarial Standards (as amended from time to time) on meetings of the Board of Directors and Shareholders of the Company issued by The Institute of Company Secretaries of India and approved by Central Government under section 118(10) of the Act.

SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

The Company doesn't have any Subsidiary, Associate and Joint Venture.

TRANSFER TO RESERVE

In view of the deficit as per the Audited Financial Statement, the Board of Directors of your company has decided not to transfer any amount to the Reserves for the financial year under review.

DIVIDEND

Under the applicable provisions of the Act, the Company is not allowed to declare dividend to its members due to non-profit organization.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to provisions of Section 134 (5) of the Act, 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 profit and 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; and

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.

ACKNOWLEDGEMENTS

The Board takes this as an opportunity to thank the promoters and all the stakeholders of the Company for their faith and patronage.

For and on behalf of the Board

	Sd/-	**Sd/-**
	Anand G. Mahindra	**Anish Shah**
Place: Mumbai	**Director**	**Director**
Date: 23rd April, 2025	**DIN: 00004695**	**DIN: 02719429**

ANNEXURE 1

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 fourth 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 relationship	Nature of Transaction	Duration of the transactions	Salient Features of the transaction	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 ₹)	% to Consol revenue	Date(s) of approval by the Board, if any	Amount paid as advances
1	Tech Mahindra Limited	Holding Company	CSR contribution as per Companies Act, 2013 for the FY 24-25	1 April 24 – 31 March 25	These RPTs are in the ordinary course of business and are at the arms length basis.	20,51,07,985	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
2	Tech Mahindra Limited	Holding Company	General Donation	1 April 24 – 31 March 25		14,06,207	NA		NA
3	Satyam Venture Engineering Services Pvt. Ltd.	Fellow Subsidiary Company	CSR contribution as per Companies Act, 2013 for the FY 24-25	1 April 24 – 31 March 25		71,00,000	NA		NA
4	Mahindra & Mahindra Financial Services Limited	Holding Company's Promoters Subsidiary	CSR contribution as per Companies Act, 2013 for the FY 24-25	1 April 24 – 31 March 25		15,00,000	NA		NA
Total						**21,51,14,192**			

For and on behalf of the Board

Sd/-
Anand G. Mahindra
Director
DIN: 00004695

Sd/-
Anish Shah
Director
DIN: 02719429

Place: Mumbai
Date: 23rd April, 2025

INDEPENDENT AUDITORS' REPORT

To the members of
Tech Mahindra Foundation

Report on the audit of the Financial Statements

Opinion

1. We have audited the Financial Statements of **Tech Mahindra Foundation** ("the Company"), licensed and registered under Section 8 (erstwhile section 25) of companies Act 2023, which comprise the Balance Sheet as at March 31, 2025, and the Statement of Income and Expenditure (including Other Comprehensive Income) and the Statement of Cash Flows for the year then ended, and notes to the financial statements including summary of significant accounting policies and other explanatory information (herein after referred to as "Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the Accounting principles generally accepted in India, of the state of affairs of the Company as at March 31,2025 and its deficit and cash flow for the year ended on that date.

Basis for Opinion

3. 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 'Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 basis for our audit opinion on the Financial Statements.

Responsibilities of Management and Those charged with Governance for the Financial Statements.

4. The Company's Board of Directors and Trustees are responsible for the matters stated in section 134(5) of the Companies Act 2013 ("Act") with respect to the preparation of these financial statements that give a true and fair view of the Financial position, financial performance and cashflows of the Company in accordance with 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 (as amended).

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

6. In preparing the financial statements, management is responsible for assessing the Company's ability continue as a going concern, disclosing, as applicable, matters related to going concern and using basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

7. Those board of Directors and trustees are also responsible for overseeing the Company's financial reporting process.

Auditors Responsibilities for the Audit of the Financial Statements

8. 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 Standard 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

    a) 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.

    b) Obtain an understanding of internal control relevant to the audit in order to design audit procedure that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate Internal financial controls system in place and the operating effectiveness of such controls.

    c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    d) 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.

    e) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

    Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 Financial Statements.

10. 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.

11. 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

12. As the Company is licensed and registered under Section 8 (erstwhile section 25) of Companies Act, 2013, the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of subsection (11) of Section 143 of the Act (the "Order"), does not apply to it as stated under Clause 2(iii) of the said Order.

13. 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 Income and Expenditure and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.

    d. In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rule,2014 (as amended).

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 and trustees none of the directors are disqualified as on March 31, 2025 from being appointed as a director/trustee in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to separate report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of Company’s internal financial controls with reference to financial Statements.

g. In our opinion and to the best of our information and according to the explanations given to us ,no remuneration is paid by the Company to its directors during the year.

h. With respect to the other matters to be included in the Auditors’ Report in accordance with the requirements of 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;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

   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 person(s) or entity(ies), 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 person(s) or entity(ies), 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 that we 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) contain any material misstatement.

   v. Company has not (declared/paid/ declared and paid) any dividend during the year.

   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. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **B. K. Khare and Co.**
Chartered Accountants
Firm’s Registration No.: 105102W

Amit Mahadik
Partner
Membership No.: 125657
UDIN No:

Place: Pune
Date: 23 April, 2025

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to financial statements 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 Tech Mahindra Foundation (the Company") as of March 31, 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit .We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, 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 with reference to financial statements 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 reporting assessing whether the risk of 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 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 with over financial reporting.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :

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 authorisations of management and directors of the Company; and

c. Provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to financial statements 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 control system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to financial statements 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 **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
Membership No. 125657
UDIN:

Place: Pune
Date: 23 April, 2025

BALANCE SHEET AS AT 31ST MARCH, 2025

Amount in Lacs

Particulars	Note No.	As at Mar 31 2025	As at Mar 31 2024
CORPUS & LIABILITY			
(1) SHAREHOLDERS FUND			
(a) Equity Share Capital	2	**5.00**	5.00
(b) Corpus Fund & Other Equities	3	**12,909.32**	14,927.35
Total Equity		**12,914.32**	14,932.35
(2) NON CURRENT LIABILITIES			
(a) Long-Term Provisions	4	**74.75**	57.79
Total Non Current Liabilities		**74.75**	57.79
(3) CURRENT LIABILITIES			
(a) Financial Liabilities			
(I) Trade Payables			
(1) Dues of micro enterprises and small enterprises	5	**34.68**	15.23
(2) Dues of creditors other than micro enterprises and small enterprises	6	**96.62**	109.28
(II) Other Financials Liabilities	7	**-**	-
(b) Other Current Liability	8	**188.50**	32.84
(c) Provisions	9	**16.54**	12.09
Total Current Liabilities		**336.34**	169.44
TOTAL EQUITY AND LIABILITIES		**13,325.41**	15,159.58
ASSETS			
(1) NON CURRENT ASSETS			
(a) Property, Plant & Equipment and In-Tangible Assets			
(i) Property, Plant & Equipment	10	**745.06**	718.01
(ii) Other In-Tangible Assets	11	**1.69**	4.46
(b) Financial Assets			
(i) Investments	12	**7,773.45**	11,479.56
(ii) Other Financial Assets	13	**55.89**	33.83
(c) Advance Income Taxes	14	**119.06**	151.43
Total Non Current Assets		**8,695.15**	12,387.29

Particulars	Note No.	As at Mar 31 2025	As at Mar 31 2024
(2) CURRENT ASSETS			
(a) Current Investments	15	**3,512.26**	1,570.00
(b) Cash & Cash Equivalents	16	**222.41**	150.47
(c) Other Financial Assets	17	**895.59**	962.79
(d) Balance with Government Authorities	18	**-**	89.03
Total Current Assets		**4,630.26**	2,772.29
TOTAL ASSETS		**13,325.41**	15,159.58
Material Accounting Policies	1		
Notes to Financial Statement	2-23	**-**	-

As per our report of even date attached

For B K Khare & Co.
Chartered Accountants
Firm Registration No.105102W

Amit Mahadik
Partner
M No . 125657
Pune, India
Date: 23rd April, 2025

For Tech Mahindra Foundation

Anand G. Mahindra
Director

Anish Shah
Director

Mohit Joshi
Director

Mumbai, India
Date: 23rd April, 2025

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31ST MARCH, 2025

Amount in Lacs

	Particulars	Note No.	As at Mar 31 2025	As at March 31 2024
	INCOME			
I.	**Income from Donation & Fees**	19	**3,531.92**	5,299.05
II.	**Other Income**	20	**964.39**	1,001.29
III.	**Total Income (I+II)**		**4,496.31**	6,300.34
IV	**Expenditure**			
	Educational Programme Expenditure	21	**5,587.15**	5,345.05
	Employees Remuneration	22	**359.12**	301.47
	Depreciation & Amortization Expenses		**296.71**	249.09
	Other expenses	23	**271.36**	263.90
	Total Expenses		**6,514.34**	6,159.51
V	**Surplus / (Deficit)**		**-2,018.03**	140.83

As per our report of even date attached

For B K Khare & Co.
Chartered Accountants
Firm Registration No.105102W

Amit Mahadik
Partner
M No . 125657
Pune, India
Date: 23rd April, 2025

For Tech Mahindra Foundation

Anand G. Mahindra
Director

Dr. Anish Shah
Director

Mohit Joshi
Director

Mumbai, India
Date: 23rd April, 2025

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

Amount in Lacs

		For the year ended	
		March 31, 2025	**March 31, 2024**
A	**Cash Flow from Operating Activities**		
	Surplus / (Deficit)	**-2,018.03**	140.83
	Adjustments for :		
	Depreciation and Amortization Expense	**296.71**	249.09
	Interest Income	**-939.34**	-975.72
		-2,660.66	-585.80
	Changes in working capital :		
	Trade Receivables and Other Assets (Including Income Tax paid)	**106.70**	-47.47
	Trade Payables, Other Liabilities and Provisions	**183.87**	-143.08
		290.57	-190.55
	Cash generated from operating activities before taxes	**-2,370.09**	-776.35
	Income taxes paid, net	**-**	-
	Net cash generated from operating activities (A)	**-2,370.09**	-776.35
B	**Cash Flow from Investing Activities**		
	Purchase of Property, Plant and Equipment, Intangible Assets and Investment property	**-321.00**	-326.13
	Purchase of Treasury Bonds and Bills and Term Deposit (Net)	**1,763.84**	45.51
	Fixed Deposit / Margin Money Placed (Net)		
	Interest income received	**999.19**	747.94
	Net cash (used in) investing activities (B)	**2,442.03**	467.32
C	**Cash Flow from Financing Activities**		
	Transfer to Corpus	**-**	
	Net cash (used in) financing activities (C)	**-**	-
	Net increase / (decrease) in cash and cash equivalents during the period (D) = (A+B+C)	**71.94**	-309.03
	Cash and Cash Equivalents at the beginning of the year (F)	**150.47**	459.50
	Cash and cash equivalents at the end of the year	**222.41**	150.47
	Net increase / (decrease) in cash and cash equivalents	**71.94**	-309.03

As per our report of even date attached

For B K Khare & Co.
Chartered Accountants
Firm Registration No.105102W

Amit Mahadik
Partner
M No . 125657
Pune, India
Date: 23rd April, 2025

For Tech Mahindra Foundation

Anand G. Mahindra
Director

Anish Shah
Director

Mohit Joshi
Director

Mumbai, India
Date: 23rd April, 2025

Notes forming part of the Balance Sheet and Income Expenditure Account

MATERIAL ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2025.

1. Company Overview:

Tech Mahindra Foundation ("the Company"), a company registered under section 25 of the Companies Act, 1956 (now governed by section 8 of the Companies Act, 2013) was incorporated on March 22, 2006, and in compliance of this new Sec 12AB of the Income Tax Act, 1961 – an application for revalidation has been made to the department and consequently the Company has received a fresh registration certificate u/s 12A and 80G which is valid for 5 Assessment Years starting from AY 2022-23.

The primary objects of the company are:

i. To provide needy children and/or students with fees, books, equipment, merit based freeships and/or scholarships, food, shelter, trainng and other help; assist mentally challenged, crippled and physically handicapped children in their rehabilitation through appropriate therapy, education, vocational training and other programmes; render assistance to orphaned, indigent and other less privileged children for their subsistence, shelter, education and medical care.

ii. To render assistance to indigent men, women and children for treatment, medical care, health care, preventive medical services which they otherwise cannot afford; to setup and/or operate or to help in setting up and/or operating, hospitals / nursing homes, shelters for the needy; to develop or adopt village(s) or other centre(s) for general progress and welfare; to render assistance for appropriate literacy, and vocational training programs for needy persons, provide assistance and social service at times of natural calamities like famine, fire, earthquake; to render assistance to handicapped, destitute and needy persons.

iii. To conduct education in public health care, sanitation, cleanliness; and to work or provide assistance for such causes; to work for the health, welfare and upliftment of men, women and children in general without any distinction as to community, background, caste, race, language or religion.

1A Significant accounting policies:

(a) Basis for preparation of accounts:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles ("GAAP") in India under historical cost convention and on accrual basis, and are in conformity with mandatory accounting standards, as prescribed under Section 133 of the Companies Act 2013, read with rule 7 of the Companies (accounts) Rules, 2014, and the provisions of the Act (to the extent notified).

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013.

(b) Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities, if any) and the reported income and expenses during the year. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ due to the estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialized.

(c) Revenue recognition:

(i) Donations received are credited to the Income & Expenditure Account except those received with a specific direction from the donors, that they shall form part of the corpus, which have been accounted for accordingly.

(ii) Interest income is recognized on time proportion basis.

(iii) Other items of income are accounted for as per the terms of the contract.

(d) Fixed Assets including intangible assets:

Fixed assets are stated at cost less accumulated depreciation. Costs comprise of purchase price and attributable costs, if any.

(e) Depreciation / amortization of fixed assets:

Depreciation on fixed assets is charged based on straight line method as per the life of the assets as assessed based on technical advice, considering the nature of the asset, estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. Estimate of useful life so made is more conservative than estimated useful life as prescribed in schedule II to the Companies Act, 2013.

Computers and Project specific software	3 years
Plant and Machinery	5 years
Furniture and Fixtures	5 years
Office Equipment	5 years
Vehicles	5 years
Leasehold improvements	Amortized over the lease period

Assets costing up to ₹ 5,000 are fully depreciated in the year of purchase.

(f) Investments:

Long term investments (including current portion thereof) are carried at cost less any diminution other than temporary diminution in the value, determined separately for each investment

Current investments are carried at the lower of cost and fair value. Any reduction in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Income and Expenditure.

(g) Cash and Cash Equivalents:

Cash and cash equivalents comprise cash at bank and in hand and short term bank deposits, if any with original maturity of three months or less.

(h) Defined benefit plans and compensated absences:

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation 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. The policy for the same is as below:

a. <u>Defined benefit plans:</u>

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. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in income and expenditure account in the period in which they occur. 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 last drawn salary and the tenure of the employment.

b. Defined contribution plans:

(i) Provident fund:

The eligible employees of the Company are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and the Company 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 profit and loss on accrual basis. The provident fund contributions are paid to the Regional Provident Fund Commissioner by the Company.

(ii) ESIC:

Contributions to employees' state insurance scheme (ESI), which are defined contribution schemes, are charged to the statement of profit and loss on an accrual basis.

The Company has no further obligations for future superannuation fund benefits other than its annual contributions.

(iii) Compensated absences:

The Company provides for compensated absences subject to Company's rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is accrued based on the number of days of unavailed 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 recognized in full in the statement of profit and loss in the period in which they occur.

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

Note 2 : Equity Share Capital

Amount in Lacs

Particulars	March 31, 2025		March 31, 2024	
	Number	**Amount**	Number	Amount
Authorised				
Equity shares of ₹ 10/- each	**50,000**	**5.00**	50,000	5.00
Issued, Subscribed and Paid up	**50,000**	**5.00**	50,000	5.00
Adjusted : Issued, Subscribed and Paid up Share Capital	**50,000**	**5.00**	50,000	5.00
Reconciliation of number of Equity Shares and amount outstanding				
Shares outstanding at the beginning of the period	**50,000**	**5.00**	50,000	5.00
Total	**50,000**	**5.00**	50,000	5.00
Adjusted : Issued, Subscribed and Paid up Share Capital	**50,000**	**5.00**	50,000	5.00

Number of shares held by each shareholder holding more than 5 percent of the Equity Shares of the Company are as follows:

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of Shares held	**% of Holding**	No. of Shares held	% of Holding
Tech Mahindra Limited	**50,000**	**100**	50,000	100

The shares held by Tech Mahindra Limited represent the initial capital contributed by Tech Mahindra Limited as a Settlor of the Trust. Tech Mahindra Limited does not exercise any control over the company

Note 3 : Other Equity

Amount in Lacs

Particulars	As at March 31, 2025	March 31, 2024
Corpus Fund		
Opening balance	**12,366.22**	12,366.22
Add:		
Corpus donations received during the year	**-**	-
Closing Balance	**12,366.22**	12,366.22
Retained Earnings		
Opening balance	**2,561.13**	2,420.30
Add :		
Surplus / (Deficit) for the year	**-2,018.03**	140.83
Closing Balance	**543.10**	2,561.13
Total	**12,909.32**	14,927.35

Note 4: Long Term Provisions

Amount in Lacs

Particulars	As at	
	March 31, 2025	**March 31, 2024**
Provision for employee benefits		
- Gratuity	**53.35**	43.20
- Compensated absences	**21.40**	14.59
Total	**74.75**	57.79

Note 5: Trade Payables - Dues of Micro & Small Enterprises

Amount in Lacs

Particulars	As at	
	March 31, 2025	**March 31, 2024**
- Trade Paybles - Dues of Micro & Small Enterprises	**34.68**	15.23
Total	**34.68**	15.23

Note 6: Trade Payables - Dues of Creditors Other than Micro & Small Enterprises

Amount in Lacs

Particulars	As at	
	March 31, 2025	**March 31, 2024**
- Account Payable Exp	**55.72**	79.71
- Provision of Expenses	**40.90**	29.57
Total	**96.62**	109.28

Note 6A: TRADE PAYABLE AGING SCHEDULE FOR THE YEAR ENDED 31st MARCH, 2025

Particulars	Outstanding for following Periods from Due Date of Payment				Total
	Less than 1 Yr	**1-2 Yr**	**2-3 Yr**	**More than 3 Years**	
(i) MSME	34.68	-	-	-	34.68
(ii) Others	57.53	19.37	19.72	-	96.62
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total	**92.21**	**19.37**	**19.72**	**-**	**131.30**

Note 6B: TRADE PAYABLE AGING SCHEDULE FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Outstanding for following Periods from Due Date of Payment				Total
	Less than 1 Yr	**1-2 Yr**	**2-3 Yr**	**More than 3 Years**	
(i) MSME	15.23	-	-	-	15.23
(ii) Others	84.36	24.92	-	-	109.28
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total	**99.59**	**24.92**	**-**	**-**	**124.51**

Note 7: Other Financial Liabilities

Amount in Lacs

Particulars	As at	
	March 31, 2025	**March 31, 2024**
- Accrued Salaries and Benefits	**-**	-
Total	**-**	-

Note 8: Other Current Liabilities

Amount in Lacs

Particulars	As at	
	March 31, 2025	**March 31, 2024**
- Statutory Dues	**32.13**	28.46
- Others	**2.60**	4.38
- Grant Fund [Refer Note 8 A]	**153.77**	-
Total	**188.50**	32.84

Note 8A : Deatails of donations received with specific directions

Particulars	Opening Balance as at 1 April 2024	Amount Received during the year	Amount utilised during the year	Closing Balance as at 31 Mar 2025
The Michael & Susan Dell Foundation-(Demand-driven Skilling in Tier 2 and Tier 3 Cities project)	-	427.60	276.09	151.51
Australian Consulate General-(MBAI24 STEP project)	-	9.75	9.18	0.57
Healthcare Federation of India-(Digital Health Masterclass project)	-	3.00	1.31	1.69
				-
Total	**-**	**440.35**	**286.58**	**153.77**

Note 9 : Provisions - Current

Amount in Lacs

Particulars	As at	
	March 31, 2025	**March 31, 2024**
Provision for employee benefits		
- Gratuity	**11.00**	8.15
- Compensated absences	**5.54**	3.94
Total	**16.54**	12.09

Note 10 : Property, Plant & Equipment

Particulars	Gross Block				Accumulated Depreciation / Amortisation				Net Block
	Cost as at April 01, 2024	Additions	Deletions	Balance as at Mar 31, 2025	As at April 01, 2024	Depreciation for the period	On Deletions	Upto Mar 31, 2025	As at Mar 31, 2025
Computers	834.10	108.52	-	942.62	543.43	148.27	-	691.70	250.92
	707.07	127.03	-	834.10	432.69	110.74	-	543.43	290.66
Equipment	732.01	64.81	-	796.82	494.78	82.05	-	576.83	219.99
	669.09	62.92	-	732.01	398.54	96.25	-	494.78	237.22
Furniture and Fixtures	233.39	60.96	-	294.35	167.42	24.36	-	191.78	102.57
	199.97	33.42	-	233.39	144.72	22.71	-	167.42	65.97
Vehicles	87.69	-	12.83	74.86	57.48	9.25	12.83	53.90	20.96
	87.69	-	-	87.69	46.15	11.33	-	57.48	30.21
Leasehold improvements	103.89	86.71	-	190.60	9.95	30.03	-	39.98	150.62
	4.31	99.58	-	103.89	4.31	5.64	-	9.95	93.94
Total	**1,991.08**	**321.00**	**12.83**	**2,299.25**	**1,273.06**	**293.96**	**12.83**	**1,554.19**	**745.06**
	1,668.12	322.95	-	1,991.07	1,026.41	246.66	-	1,273.06	718.01

Numbers in Italics pertain to the previous year.

Note 11 : Intangible Assets

Particulars	Gross Block				Accumulated Depreciation / Amortisation				Net Block
	Cost as at April 01, 2024	Additions	Deletions	Balance as at Mar 31, 2025	As at April 01, 2024	Depreciation for the period	On Deletions	Upto Mar 31, 2025	As at Mar 31, 2025
Softwares	152.90	-		152.90	148.43	2.78		151.21	1.69
	149.72	3.18	-	152.90	146.00	2.43	-	148.43	4.46
Total	**152.90**	**-**	**-**	**152.90**	**148.43**	**2.78**	**-**	**151.21**	**1.69**
	149.72	3.18	-	152.90	146.00	2.43	-	148.43	4.46

Numbers in Italics pertain to the previous year.

Note 12 : Investments : Non Current

Amount in Lacs

Particulars	As at	
	March 31, 2025	**March 31, 2024**
Investments		
- Bonds issued by Banks	**5,315.07**	7,339.56
- Deposits with Financial Institutions/Bank	**2,458.38**	4,140.00
Total	**7,773.45**	11,479.56

Note 13 : Other Financial Assets : Non Current

Amount in Lacs

Particulars	As at	
	March 31, 2025	**March 31, 2024**
Security Deposits		
- Unsecured, considered good	**55.89**	33.83
Total	**55.89**	33.83

Note 14 : Advance Income Tax

Amount in Lacs

Particulars	As at	
	March 31, 2025	**March 31, 2024**
- Advance Income Tax	**119.06**	151.43
Total	**119.06**	151.43

Note 15 : Investments : Current

Amount in Lacs

Particulars	As at	
	March 31, 2025	**March 31, 2024**
Investments		
- Bonds issued by Banks	**1,022.26**	-
- Deposits with Financial Institutions/Bank	**2,490.00**	1,570.00
Total	**3,512.26**	1,570.00

Note 16 : Cash and Cash Equivalents

Amount in Lacs

Particulars	As at	
	March 31, 2025	**March 31, 2024**
Balances with banks:		
- In Saving & Current Account	**222.02**	150.21
- Cash Balance	**0.39**	0.26
Total	**222.41**	150.47

Note 17 : Other Financial Assets : Current

Amount in Lacs

Particulars	As at	
	March 31, 2025	**March 31, 2024**
(Unsecured and considered good unless otherwise stated)		
Interest Receivable		
On Term Deposits with Financial Institutions	**637.97**	654.56
On Treasury Bonds and Bills	**251.48**	294.74
	889.45	949.30
Others	**6.14**	13.49
Total	**895.59**	962.79

Note 18 : Balance with Government Authorities

Amount in Lacs

Particulars	As at	
	March 31, 2025	**March 31, 2024**
Balance with Government Authorities	**-**	89.03
Total	**-**	89.03

Note 19 : Donation Income & Student Fees

Amount in Lacs

Particulars	Year ended	
	March 31, 2025	**March 31, 2024**
- Donation Income for Educational Programme	**3,083.03**	4,955.61
- Student Fees Income	**448.89**	343.44
Total	**3,531.92**	5,299.05

Note 20 : Other Income

Amount in Lacs

Particulars	Year ended	
	March 31, 2025	**March 31, 2024**
Interest Income	**939.34**	975.72
Miscellaneous Income	**25.05**	25.57
Total	**964.39**	1,001.29

Note 21 : Educational Programme Expenditure

Amount in Lacs

Particulars	Year ended	
	March 31, 2025	**March 31, 2024**
Educational Project Implementation	**3,136.39**	3,433.96
Employees Remuneration		
Salaries and wages	**1,187.94**	911.87
Contribution to provident and other funds	**38.00**	29.15
Gratuity	**5.26**	3.06
Staff welfare expenses	**0.53**	-
Other Expenses		
Power and Fuel	**42.56**	33.06
Rent	**116.52**	73.22

Particulars	Year ended	
	March 31, 2025	**March 31, 2024**
Communication Expenses	**11.25**	9.91
Travelling and Conveyance Expenses	**68.80**	43.91
Training Expenses	**367.18**	321.51
Legal and Other Professional Fees	**255.43**	184.84
Repair and Maintenance Expenses	**86.47**	67.19
Insurance Expenses	**4.74**	10.99
Media and Communication Expenses	**56.03**	60.40
Housekeeping and Security Expenses	**179.27**	138.80
Printing, Postage & Stationary Expenses	**14.06**	11.08
General Office Expenses	**16.72**	12.10
Total	**5,587.15**	5,345.05

Note 22 : Employees Remuneration

Amount in Lacs

Particulars	Year ended	
	March 31, 2025	**March 31, 2024**
Salaries and wages	**328.70**	281.44
Contribution to provident and other funds	**11.44**	9.60
Gratuity	**13.01**	7.74
Staff welfare expenses	**5.97**	2.69
Total	**359.12**	301.47

Note 23 : Other Expenses

Amount in Lacs

Particulars	Year ended	
	March 31, 2025	**March 31, 2024**
Power and Fuel	**2.53**	1.35
Communication Expenses	**6.14**	5.75
Travelling and Conveyance Expenses	**27.93**	30.14
Training Expenses	**7.38**	14.49
Legal and Other Professional Fees	**59.35**	72.71
Repair and Maintenance Expenses	**39.46**	37.43
Insurance Expenses	**8.23**	10.94
Media and Communication Expenses	**3.63**	8.91
Housekeeping and Security Expenses	**14.11**	13.40
Printing, Postage & Stationary Expenses	**5.53**	3.35
General Office Expenses	**8.04**	2.29
Provision for Tax Credit not receivable	**-**	63.14
Provison for GST Receivable	**89.03**	-
Total	**271.36**	263.90

Note 23A :

(I) CORPORATE SOCIAL RESPONSIBILITY (CSR) u/s 135 OF THE COMPANIES ACT

Amount in Lacs

Particulars	Year ended	
	Mar 31, 2025	**Mar 31, 2024**
(a) Amount required to be spent by the Company during the Year	**NIL**	NIL
(b) Amount of Expenditure Incurred	**NIL**	NIL
(c) Shortfall at the End of the Year	**NIL**	NIL
(d) Total of Previous Year Shortfall	**NIL**	NIL
(e) Reason for Shortfall	**N/A**	N/A
(f) Nature of CSR Activity	**N/A**	N/A
(g) Details of Related Party transaction e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	**N/A**	N/A
(h) 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 should be shown separately	**N/A**	N/A

(II) FINANCIAL RATIOS

Being a not for profit organisation, debt-equity ratio, debt service coverage ratio, return on equity ratio, inventory turnover ratio, trade receivables turnover ratio, trade payables turnover ratio, net capital turnover ratio, net profit ratio, return on capital employed, return on investment are not applicable except current ratio as mentioned below.

Ratio	Numerator	Denominator	Year ended		% Variance
			Mar 31, 2025	**Mar 31, 2024**	
(i) Current Ratio in Lacs	4,630.26	336.34	13.77	16.36	-2.59

23B: Details of dues to micro and small enterprises as defined under The Micro. Small and Medium Enterprises Development (MSMED) Act 2006:

Based on the information available with the Company, there are no outstanding amounts payable to creditors who have been identified as “suppliers” within the meaning of “Micro, Small and Medium Enterprises Development (MSMED) Act, 2006”.

23C. Previous year figures have been regrouped wherever necessary.

As per our report of even date attached

For B K Khare & Co.
Chartered Accountants
Firm Registration No.105102W

Amit Mahadik
Partner
M No . 125657
Pune, India
Date: 23rd April, 2025

For Tech Mahindra Foundation

Anand G. Mahindra
Director

Anish Shah
Director

Mohit Joshi
Director

Mumbai, India
Date: 23rd April, 2025

MAHINDRA EDUCATIONAL INSTITUTIONS

Board of Directors
Mr. C. P. Gurnani
Mr. Mohit Joshi
Mr. Milind Kulkarni
Mr. Shivanand Raja

Auditors
M/s. M. Bhaskara Rao & Co.,
5-D, Fifth Floor, 'Kautilya'
6-3-652, Somajiguda, Hyderabad-500082

Bankers
Kotak Mahindra Bank Limited

Registered Office:
Tech Mahindra Limited,
Survey No: 62/1A,
Bahadurpally, Jeedimetla,
Hyderabad-500043 Telangana, India

DIRECTORS' REPORT

Your Directors present their Twelfth Annual Report of your Company for the year ended 31st March 2025.

FINANCIAL RESULTS

Particulars	For the year ended March 31, 2025 (₹ in Cr.)	For the year ended March 31, 2024 (₹ in Cr.)
Donations received for University fund, Building & Equipment fund and for operating expenses	181.96	71.67
Expenditure on the Objects of the Company	47.50	39.33
Surplus / (Deficit) for the year	(45.53)	(33.15)

REVIEW OF ACTIVITIES – 2024-25

MAHINDRA EDUCATIONAL INSTITUTIONS (MEI)

MEI, a not-for-profit section 8 registered, 100% subsidiary of the Tech Mahindra Limited has set up Mahindra Ecole Centrale ("MEC") in August 2014 through a collaborative venture between Mahindra Educational Institutions, Ecole Centrale of Paris, France (now known as Centrale Supelec) and the JNTU Hyderabad - to offer undergraduate programs in engineering. Through this strong Indo-French Collaboration with Centrale Supelec and Industry connect with Tech Mahindra, MEC has emerged as a disruptive player in the field of Technical Education.

In 2020, MEC has been transformed to Mahindra University, a state private university under the Government of Telangana to introduce diverse streams of education in addition to Engineering. MEI is the sponsoring body of Mahindra University since then.

MAHINDRA UNIVERSITY (MU)

Mahindra University ("MU") (sponsored by Mahindra Educational Institutions, ("MEI"), a not-for-profit, 100% subsidiary of Tech Mahindra), was notified on May 20, 2020 by the Government of Telangana vide The Telangana State Private Universities (Establishment and Regulation) Act, 2018 for "educating future citizens for and of a better world".

As of April 2025, MU has 5300+ students studying in UG/PG/PhD programs across the schools of engineering, management, law, education, media, design and hospitality management. In 2024-25, Mahindra University launched the School of Design and the School of Hospitality Management – offering the B.Des and B.Sc in Hospitality Management.

To provide for qualitative education, MU has academic tie-up with renowned overseas campuses, such as (i) Centrale Supelec campuses in France for Engineering, (ii) Cornell University's SC Johnson College of Business, an ivy league institution for School of Management, (iii) Virginia Tech, USA for engineering and hospitality management, (iv) La Trobe University, Australia in the discipline of civil engineering, and (v) the University of Agder, Norway (vi) University of Florida for engineering discipline (vii) Babson College for entrepreneurship discipline (viii) University of Missouri for management discipline (ix) University of Houston for management discipline (x) University of Utah for management discipline. Discussions are on for a synergistic linkage with Monash University and the Australian National University.

In AY 2025-26, MU will be starting the following new schools/centres:

-School of Liberal Arts

-Centre for Writing & Learning Pedagogy

-Centre for Risk Management

With the new intake in August, MU will have around 6500+ students and corresponding 430 faculty. Of this, it is estimated that PG students will be around 15% of the total. PhD student strength is estimated to touch around 500. Student diversity will see 56-44 ratio with respect to boys-girls.

MATERIAL CHANGES AND COMMITMENTS

There are 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.

There was no change in the nature of business and operations of the Company during the year under review.

SIGNIFICANT AND MATERIAL ORDERS / PROCEEDINGS

During the year under review, there were no material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKCRUPTCY CODE, 2016

No application against the Company has been filed or is pending under the Insolvency and Bankruptcy Code, 2016, nor the Company has done any one time settlement with any Bank or Financial institutions.

DIFFERENCE IN VALUATION

The Company has never made any one-time settlement against the loans obtained from Banks and Financial Institution during the financial year. Hence this clause is not applicable.

FIXED DEPOSITS

Your Company has not accepted any deposits and as such, no amount of principal or interest was outstanding on the date of the Balance Sheet 31st March, 2025.

AUDITORS

The members, in the 9th Annual General Meeting (AGM) held on July 20, 2022, appointed M/s. M Bhaskara Rao & Co., Chartered Accountants (Firm Registration No. 000459S) as Auditors, who shall hold office from the conclusion of the 9th Annual General Meeting, till the conclusion of the Annual General Meeting for the Financial Year ("FY") 2026-27 on such remuneration as may be determined by the Board of Directors.

The members may note that the Ministry of Corporate Affairs vide notification dated May 7, 2018, has done away with the requirement of yearly ratification of appointment of Statutory Auditors, at the Annual General Meeting.

There are no qualifications, reservation or adverse remark or disclaimer made in the audit report for the FY 2024-25 to comment upon by your Directors.

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 ₹ 1,00,000/- comprising of 10,000 equity shares of Face Value ₹ 10/- each, fully paid-up.

ANNUAL RETURN

The annual return as on the financial year ended 31st March, 2025 in Form MGT - 7 is available on the web-link https://www.techmahindra.com/about-us/mahindra-educational-institutions/.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars prescribed as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

a) Conservation of Energy: The operations of the Company are not energy-intensive and hence, the provisions are not applicable.

b) Research and Development: ₹ Nil Lakhs was spent on Research and Development during the year under review.

c) Foreign Exchange earnings and outgo: i) Earnings: ₹ Nil, ii) Expenses: ₹ Nil.

CORPORATE SOCIAL RESPONSIBILITY

During the previous financial year i.e. year ended on 31st March, 2024, the provisions of Section 135 of the Companies Act, 2013 were applicable to the Company, and necessary compliance was duly made.

However, during financial year under review i.e. year ended on 31st March, 2025, the Company does not meet the criteria prescribed under sub-section (1) of Section 135 of the Companies Act, 2013. Accordingly, the provisions relating to Corporate Social Responsibility are not applicable for the year under review, and no CSR expenditure or reporting is required for the financial year 2024-25.

DIRECTORS

Pursuant to the provisions of section 152(6)(c) of the Companies Act, 2013, Mr. Milind Kulkarni (DIN: 00012888) is liable to retire by rotation and being eligible offer himself for reappointment.

During the year under review, Mr. Vineet Nayyar had resigned from the office of Director with effect from 25th April, 2025. Your Directors had co-opted Mr. Mohit Joshi (DIN: 08339247) as an Additional Director with effect from 2nd January, 2024 i.e. in previous financial year. During the year under review, Members of the Company approved the appointment of Mr. Mohit Joshi as a Director of the Company with effect from 19th July, 2024.

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Act. The Directors of the Company have made necessary disclosures under Section 184 and other relevant provisions of the Act.

NUMBER OF BOARD MEETINGS AND GENERAL MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

During the year under review, the Board met six times on 18th April, 2024, 25th June, 2024, 20th August, 2024, 25th September, 2024, 15th October, 2024 and 13th December, 2024. The Company being a Section 8 Company, the maximum interval between any two meetings did not exceed 120 days as prescribed in the Companies Act, 2013.

Presence/ attendance of Directors in the meetings:

Sr. No.	Name of the Director	18th April, 2024 (Through VC)	25th June, 2024 (Through VC)	20th August, 2024 (Through VC)	25th September, 2024 (Through VC)	15th October, 2024 (Through VC)	13th December, 2024 (Through VC)
1	Mr. Vineet Nayyar	✓	NA	NA	NA	NA	NA
2	Mr. Mohit Joshi	LOA	✓	✓	LOA	✓	✓
3	Mr. C. P. Gurnani	✓	✓	✓	✓	✓	✓
4	Mr. Milind Kulkarni	✓	✓	✓	✓	✓	✓
5	Mr. Shivanand Raja	✓	✓	✓	✓	✓	✓

The Ministry of Corporate Affairs by its Notification dated 13th July, 2017 amended Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014. The provisions in respect of appointment of independent directors on the Board of unlisted wholly owned subsidiary Company are no more applicable.

During the year under review, an Annual General Meeting ("AGM") was held on 19th July, 2024 and two Extra-Ordinary General Meetings ("EGM") were held on 25th September, 2024 and 15th October, 2024. The details of the same are given below:

Type	Special Businesses Transacted	Date of Meeting	Total number of member entitled to attend	No. of Members Present	% of total holding of Members present
AGM	• Approval for appointment of Mr. Mohit Joshi (DIN: 08339247) as a Non-Executive Director 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	3	3	100

Type	Special Businesses Transacted	Date of Meeting	Total number of member entitled to attend	No. of Members Present	% of total holding of Members present
EGM	• Approval to borrow in excess of paid-up share capital, free reserves and securities premium and creation of security under Sections 180(1)(a) & 180(1)(c) of the Companies Act, 2013	25th September, 2024	3	3	100
EGM	• Approval for alteration of the object clause of Memorandum of Association	15th October, 2024	7	7	100

LOANS/ GUARANTEES / INVESTMENTS

The Company has not given / accepted any guarantees during the year under review. The Company has borrowed ₹ 31.30 crores from Kotak Mahindra Bank Limited for operational requirement during the financial year under review. As on 31st March, 2025, borrowing from Kotak Mahindra Bank Limited was ₹ 251.89 crores.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on 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. All Related Party Transactions for the period under review were approved by the Board. 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".

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company does not have any Subsidiary Company, Associate Company or Joint Venture.

RISK MANAGEMENT

The Company 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

The Company has in place adequate Internal Financial Control System, some of which are as under:

1. All accounting entries are passed through a fully integrated and robust system;

2. The accounting entries are further periodically reviewed to maintain the integrity of the books of accounts by the internal team;

There are no adverse remarks or qualified opinion expressed by the Statutory Auditors in their report for Internal Financial Control.

COST RECORD

The provision of Cost audit as per section 148 doesn't applicable on the Company.

WHISTLE BLOWER MECHANISM / VIGIL MECHANISM

The Board has adopted the Whistle Blower policy for the Company. The policy sets out ways through which the stakeholders can raise concerns that relate to actual or suspected violations to the Corporate Ombudsman office.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Ms. Ruchi Bhave, Practicing Company Secretary, Pune to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is available at "Annexure B" to this report. There are no qualifications, reservations, adverse remarks or disclaimers made in the Secretarial Audit Report.

COMPLIANCE WITH SECRETARIAL STANDARDS

Being a Section 8 Company, the Secretarial Standards are not applicable to the Company. Though, as a part of good governance, the Company follows the provisions of Secretarial Standards.

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company at group level has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up a Committee for implementation of the said policy. During the year under review the Company has not received any complaint of harassment and nil complaints are pending as at the year ended 31 March 2025.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 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. They have, in the selection of the accounting policies, consulted the Statutory Auditors and these have been applied consistently and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2024 and of the profit and loss of the Company for the year ended on that date;

iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. The annual accounts have been prepared on a going concern basis; and

v. 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.

ACKNOWLEDGEMENTS

The Board takes this as an opportunity to thank the promoters and all the stakeholders of the Company for their faith and patronage.

For and on behalf of the Board

	Sd/-	Sd/-
	Mohit Joshi	Milind Kulkarni
Place: Hyderabad	Director	Director
Date: 16th April, 2025	DIN: 08339247	DIN: 00012888

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	Tech Mahindra Limited	Holding Company	CSR Contribution – Infra fund	April 24 - March 25	These RPTs are in the ordinary course of business and are at the arms length basis	7,493	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
2	Mahindra & Mahindra Limited	Promotor of Holding Company	CSR Contribution			5,520			
3	Mahindra & Mahindra Limited	Promotor of Holding Company	Unsecured Loan Taken and interest expense			1,043.88			
4	Comviva Technologies Ltd	Fellow subsidiary	CSR Contribution – Infra fund			105			
5	ZEN3 Infosolutions Private Limited	Fellow subsidiary	CSR Contribution – Infra fund			11.52			
6	Tech Mahindra Technologies Inc	Fellow subsidiary	CSR Contribution – Infra fund			10.55			
7	Allyis India Private Limited	Fellow subsidiary	CSR Contribution – Infra fund			12.42			

For and on behalf of the Board

Sd/-
Mohit Joshi
Director
DIN: 08339247

Sd/-
Milind Kulkarni
Director
DIN: 00012888

Place: Hyderabad
Date: 16th April, 2025

ANNEXURE B

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Mahindra Educational Institutions
Tech Mahindra Limited, Survey No: 62/1A,
Bahadurpally, Jeedimetla, Hyderabad 500043,
Telangana, India.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mahindra Educational Institutions** bearing **CIN: U80300TG2013NPL086878** (Here in after called "the Company").

Secretarial Audit was conducted for the period from 1st April, 2024 to 31st March, 2025, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances of the Company and expressing my opinion thereon. I have been engaged as Secretarial Auditor of the Company to conduct the Audit of the Company to examine the compliance of Companies Act, 2013 and the other laws listed below.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other record maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and representations made by the Management, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2025 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and legal compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other record maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of the following list of laws and regulations:

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
[Not applicable during the Audit Period]

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
[Not applicable during the Audit Period]

iv. The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; [Not applicable during the Audit Period]

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): - **[Not applicable during the Audit Period, since the Company was a private limited company, registered under Section 25 of Companies Act, 1956, now Section 8 of Companies Act, 2013]**

   a. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

   b. SEBI (Prohibition of Insider Trading) Regulations, 2015;

   c. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d. SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   e. SEBI (Delisting of Equity Shares) Regulations, 2021;

   f. SEBI (Issue and Listing of Non-convertible Securities) Regulations, 2021;

   g. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   h. SEBI (Buyback of Securities) Regulations, 2018;

I have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India. **[Not applicable during the Audit Period, since the Company was a private limited company, registered under Section 25 of Companies Act, 1956, now Section 8 of Companies Act, 2013]**

ii. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **[Not applicable during the Audit Period, since the Company was a private limited company, registered under Section 25 of Companies Act, 1956, now Section 8 of Companies Act, 2013]**

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as applicable to the Company. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance/ as per Articles of Association of the company and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All the decisions of the board are passed with unanimous consent of all the directors and are recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the year under report that-

1. The Company has obtained a prior approval from the Central Government for altering the object clause of its Memorandum of Association. The Company is in the process of altering its object clause as per provisions of the Companies Act, 2013.

I further report that no specific events/ actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. had occurred.

This Report should be read along with my letter of even date annexed as Annexure and forms part of this Report for all purposes.

_____

Ruchi Bhave
Practicing Company Secretary
FCS: 13324 CP: 27019
UIN: I2023MH2474600

PR No.: 5620/2024
UDIN: F013324G000129572

Date: 16th April, 2025
Place: Pune

ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF
MAHINDRA EDUCATIONAL INSTITUTIONS (2024-2025)
AUDITORS' RESPONSIBILITY

My Report of even date is to be read along with this letter.

In accordance with the ICSI Auditing Standards (CSA1 to CSA4) -

- Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility as the Auditor is to express the opinion on the compliance with the applicable laws and maintenance of record based on Secretarial Audit conducted by me.

- The Secretarial Audit needs to be conducted in accordance with applicable Auditing Standards. These Standards require that the Auditor should comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of record.

- I am also responsible to perform procedures to identify, assess and respond to the risks of material misstatement or non-compliance arising from the Company's failure appropriately to account for or disclose an event or transaction. However, due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit was properly planned and performed in accordance with the Standards.

Accordingly, I wish to state as under-

1. The Secretarial Audit for the financial year has been conducted as per the applicable Auditing Standards.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that correct facts are reflected in the secretarial record. I believe that the process and practices that I followed provide a reasonable basis for my opinion that the statements prepared, documents or record maintained by the Company are free from misstatement.

3. My responsibility is limited to only express my opinion on the basis of evidences collected, information received and record maintained by the Company or given by the Management. I have not verified the correctness and appropriateness of the financial record and books of accounts maintained by the Company.

4. Wherever required, I have obtained the Management Representation about compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of the Corporate Laws, other applicable laws, rules, regulations and standards is the responsibility of the management. My examination is limited to verification of procedure on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

_____

Ruchi Bhave
Practicing Company Secretary
FCS: 13324 CP: 27019
UIN: I2023MH2474600

PR No.: 5620/2024
UDIN: F013324G000129572

Date: 16th April, 2025
Place: Pune

INDEPENDENT AUDITOR'S REPORT

To the Members of
Mahindra Educational Institutions

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Mahindra Educational Institutions** ("the Company"), which comprise the Balance Sheet as at 31 March 2025, and the Statement of Income and Expenditure (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the material accounting policy information and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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 31 March 2025, its deficit and total comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the "Auditor's Responsibilities for the Audit of the 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 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 opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not 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 during the course of our audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility and Those Charged with Governance for the 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 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 accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with the Rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control with reference to financial statements 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 with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on matters specified in paragraph 3 and 4 of 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 Act, since in our opinion and according to the information and explanation given to us, the said Order is not applicable to the Company.

2A. 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 purpose 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 except for the matters stated in the paragraph 2B.(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014;

c. the Balance Sheet, the Statement of Income and Expenditure including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

d. in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the rules issued thereunder;

e. on the basis of the written representations received from the directors as on 31 March 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and

2B. 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. there are no pending litigations on or by the Company, the impact of which needs to be disclosed in the financial statements;

ii. the Company does not have any material foreseeable losses relating to long term contracts, there were no derivative contracts entered into by the Company as at 31 March 2025;

iii. there are no amounts which were required to be transferred to the Investor Education and Protection Fund during the year ended 31 March 2025;

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 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 audit procedures 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. Based on our examination, the Company, has used accounting software for maintaining its books of account wherein the accounting software did not have the audit trail (edit log) feature enabled throughout the year. In the absence of implementation of audit trail, retention of audit trail logs does not arise.

2C. 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 provisions of Section 197 of the Act and the rules thereunder are not applicable to the Company.

for **M. Bhaskara Rao & Co.,**
Chartered Accountants
Firm Registration No.000459S

K.S. Mahidhar
Partner
Membership No. 220881
UDIN: 25220881BMMKVM7372

Hyderabad, 16th April, 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2A.(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Mahindra Educational Institutions)

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **Mahindra Educational Institutions** ("the Company") as of 31 March 2025, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls with reference to Financial Statements

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements 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 with reference to financial statements 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2025 except for using an accounting software not having a feature of audit trail (edit log) enabled through out the year and retention of audit trail log as per the applicable provisions of the Act, as reported in para 2B.(vi) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date, based on the internal control with reference to financial statements 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 ICAI.

for **M. Bhaskara Rao & Co.,**
Chartered Accountants
Firm Registration No.000459S

K.S. Mahidhar
Partner
Membership No. 220881
UDIN: 25220881BMMKVM7372

Hyderabad, 16th April, 2025

BALANCE SHEET AS AT 31 MARCH 2025

(All amounts in Indian Rupees (₹) lakhs, except for share data and where otherwise stated)

Particulars	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	**55,338.48**	20,896.12
Right-of-use assets	4	**-**	-
Capital work-in-progress	5	**14,283.48**	30,293.74
Other intangible assets	6	**-**	-
Financial assets			
Other financial assets	7	**1,736.50**	1,598.43
Non-Current tax asset (net)	8	**125.70**	130.49
Other non current assets	9	**200.36**	836.93
Total non-current assets		**71,684.52**	53,755.71
Current assets			
Financial assets			
Trade receivables	10	**-**	-
Cash and cash equivalents	11	**1,152.28**	246.68
Other financial assets	7	**6.52**	6.35
Other current assets	9	**-**	4.16
Total current assets		**1,158.80**	257.19
Total Assets		**72,843.32**	54,012.90
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	**1.00**	1.00
Other equity	13	**41,881.77**	28,283.02
Total Equity		**41,882.77**	28,284.02
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	14	**26,207.81**	22,058.80
Total non-current liabilities		**26,207.81**	22,058.80

(All amounts in Indian Rupees (₹) lakhs, except for share data and where otherwise stated)

Particulars	Note	As at 31 March 2025	As at 31 March 2024
Current liabilities			
Financial liabilities			
Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises		**-**	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	15	**24.78**	29.48
Other financial liabilities	16	**786.08**	41.07
Other current liabilities	17	**3,941.88**	3,599.53
Total current liabilities		**4,752.74**	3,670.08
Total Equity and Liabilities		**72,843.32**	54,012.90
Corporate Information	1		
Material Accounting Policy Information	2		
See accompanying notes to the financial statements	1 to 33		

In terms of our report attached
for **M. Bhaskara Rao & Co.,**
Chartered Accountants
Firm Registration No.000459S

for and on behalf of the Board of Directors of
Mahindra Educational Institutions
CIN: U80300TG2013NPL086878

K.S. Mahidhar
Partner
Membership No.220881

Mohit Joshi
Director
DIN:08339247

Milind Kulkarni
Director
DIN:00012888

Hyderabad, 16 April 2025

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2025

(All amounts in Indian Rupees (₹) lakhs, except for share data and where otherwise stated)

Particulars	Note	Year ended 31 March 2025	Year ended 31 March 2024
Income			
Fee from Academic Courses	18	**-**	335.25
Other Income	19	**197.04**	282.44
Total		**197.04**	617.69
Expenses			
Academic Expenses	20	**0.02**	15.15
Employee Benefits Expense	21	**-**	72.13
Finance Cost	22	**-**	1,270.63
Depreciation and Amortization Expense	23	**4,542.32**	2,381.50
Other expenses	24	**208.44**	193.79
Total		**4,750.78**	3,933.20
Surplus / (Deficit) Before Tax		**(4,553.74)**	(3,315.51)
Tax Expense			
Current Tax			
Deferred Tax			
Surplus / (Deficit) for the year		**(4,553.74)**	(3,315.51)
Other comprehensive income			
A. Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit liabilities / (asset)		**-**	-
Income tax on items that will not be reclassified to profit or loss		**-**	-
		-	-
B. Items that may be reclassified to profit or loss		**-**	-
Total other comprehensive income / (loss) for the year		**-**	-
Total comprehensive income / (loss) for the year		**(4,553.74)**	(3,315.51)
Earnings per equity share of Rs.10 each	28		
Basic - (In ₹ per share)		**(45,537.44)**	(33,155.10)
Diluted - (In ₹ per share)		**(45,537.44)**	(33,155.10)
Corporate Information	1		
Material Accounting Policy Information	2		
See accompanying notes to the financial statements	1 to 33		

In terms of our report attached
for **M. Bhaskara Rao & Co.,**
Chartered Accountants
Firm Registration No.000459S

for and on behalf of the Board of Directors of
Mahindra Educational Institutions
CIN: U80300TG2013NPL086878

K.S. Mahidhar
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Mohit Joshi
Director
DIN:08339247

Milind Kulkarni
Director
DIN:00012888

Hyderabad, 16 April 2025

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

A. Equity Share Capital

(All amounts in Indian Rupees (₹) lakhs, except for share data and where otherwise stated)

	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	Amount	Number of Shares	Amount
Issued and paid up equity share capital				
Balance at the beginning of the reporting period	**10,000**	**1.00**	10,000	1.00
Changes in Equity Share Capital due to prior period errors	**-**	**-**	-	-
Restated balance at the beginning of the reporting period	**10,000**	**1.00**	10,000	1.00
Changes in equity share capital during the current year	**-**	**-**	-	-
Balance at the end of the reporting period	**10,000**	**1.00**	10,000	1.00

B. Other Equity

Particulars	Reserves & Surplus					Items of Other Comprehensive Income (OCI)	Total
	Corpus Fund	University Corpus Fund	Building and Equipment Fund	Infrastructure Fund	Retained Earnings	Remeasurements of net defined benefit plans	
Balance as at 31 March 2023	**1,166.00**	**4,000.00**	**12,135.00**	**-**	**6,882.27**	**248.61**	**24,431.88**
Surplus / (Deficit) for the year	-	-	-	-	(3,315.51)	-	(3,315.51)
Contributions during the year	-	-	-	7,166.65	-	-	7,166.65
Other Comprehensive Income (net of income tax)	-	-	-	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**-**	**7,166.65**	**(3,315.51)**	**-**	**3,851.14**
Balance as at 31 March 2024	**1,166.00**	**4,000.00**	**12,135.00**	**7,166.65**	**3,566.76**	**248.61**	**28,283.02**
Surplus / (Deficit) for the year	-	-	-	-	(4,553.74)	-	(4,553.74)
Contributions during the year	-	-	18,152.49				18,152.49
Other Comprehensive Income (net of income tax)	-	-	-	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**18,152.49**	**-**	**(4,553.74)**	**-**	**13,598.75**
Balance as at 31 March 2025	**1,166.00**	**4,000.00**	**30,287.49**	**7,166.65**	**(986.98)**	**248.61**	**41,881.77**

See accompanying notes to the financial statements 1 to 33

In terms of our report attached
for **M. Bhaskara Rao & Co.,**
Chartered Accountants
Firm Registration No.000459S

for and on behalf of the Board of Directors of
Mahindra Educational Institutions
CIN: U80300TG2013NPL086878

K.S. Mahidhar
Partner
Membership No.220881

Mohit Joshi
Director
DIN:08339247

Milind Kulkarni
Director
DIN:00012888

Hyderabad, 16 April 2025

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts in Indian Rupees (₹) lakhs, except for share data and where otherwise stated)

		Year ended 31 March 2025	Year ended 31 March 2024
A.	**Cash flow from operating activities**		
	Surplus before tax	**(4,553.74)**	(3,315.51)
	Adjustments for		
	Depreciation and Amortization Expense		
	On Tangible assets	**4,542.32**	2,381.50
	Provisions no longer required written back	**(6.30)**	-
	Profit on derecognition of lease liability	**-**	(78.91)
	Interest Cost	**-**	1,269.70
	Interest Income	**(146.88)**	(99.63)
	Operating profit before working capital changes	**(164.60)**	157.15
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	Other Non-Current Financial Assets	**(67.87)**	(12.70)
	Other Non-Current Assets	**636.57**	(235.01)
	Trade receivables	**6.30**	275.53
	Other Current Assets	**4.16**	1.98
	Adjustments for increase / (decrease) in operating liabilities:		
	Long Term Provisions	**-**	(24.61)
	Trade Payables	**(4.70)**	(1.10)
	Other Current Financial Liability	**745.01**	(47.00)
	Other Current Liabilities	**342.35**	(656.84)
	Short Term Provisions	**-**	(7.34)
	Cash generated from operations	**1,497.22**	(549.94)
	Income Tax paid (Net)	**4.79**	18.11
	Net cash flow from operating activities (A)	**1,502.01**	(531.83)
B.	**Cash flow from investing activities**		
	Capital Expenditure on Fixed Assets & Intangible Assets	**(22,974.42)**	(20,709.91)
	Funds received	**18,152.49**	7,166.65
	Interest Received	**76.51**	32.36
	Net cash flow used in investing activities (B)	**(4,745.42)**	(13,510.90)
C.	**Cash flow from financing activities**		
	Interest Cost	**-**	(1,102.56)
	Proceeds from long term borrowings	**4,149.01**	15,117.24
	Net cash flow from financing activities (C)	**4,149.01**	14,014.68
	Net increase / (decrease) in cash and cash equivalents	**905.60**	(28.05)
	Cash and cash equivalents at the beginning of the year	**246.68**	274.73
	Cash and cash equivalents at the end of the year	**1,152.28**	246.68

Components of Cash and cash equivalents (refer note 11)

	As at March 31 2025	As at March 31 2024
Balances with scheduled banks		
In Savings accounts	**1,152.28**	246.20
In Current accounts	**-**	0.48
Total Cash and cash equivalents (as per Ind AS 7)	**1,152.28**	246.68

See accompanying notes to the financial statements 1 to 33

In terms of our report attached
for **M. Bhaskara Rao & Co.,**
Chartered Accountants
Firm Registration No.000459S

for and on behalf of the Board of Directors of
Mahindra Educational Institutions
CIN: U80300TG2013NPL086878

K.S. Mahidhar
Partner
Membership No.220881

Mohit Joshi
Director
DIN:08339247

Milind Kulkarni
Director
DIN:00012888

Hyderabad, 16 April 2025

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts in Indian Rupees (₹) lakhs, except for share data and where otherwise stated)

1. Corporate Information

Mahindra Educational Institutions ("the Company") incorporated as a Not-for-Profit Company with main objects to establish institutions of higher learning such as setting up of universities, colleges, academics and research institutes, encouraging education and research work in different disciplines, to promote innovation and technology development, to collaborate and / or affiliate with other universities in India for the cause of promoting high quality higher education within India.

The Company is a Section 8 Company incorporated and domiciled in India. The address of its registered office is Survey No: 62/1A, Bahadurpally, Jeedimetla, Hyderabad - 500043

The Company, as sponsoring body, under The Telangana State Private Universities (Establishment and Regulation) Act, 2018 established a private University viz Mahindra University ("MU") in accordance with section 10 of the said Act. In terms of approval by the Telangana State Government and no objection from Jawaharlal Nehru Technology Institute ('JNTU'), the Company would continue the academic activity for existing students under JNTU and any fresh admissions would be under MU. The infrastructure developed by the Company, relating to academic activity would will be provided to MU. Accordingly, the Company would continue its charitable activity in academics through MU as Sponsoring Body.

The financial statements for the year ended 31 March 2025 were approved by the Board of Directors and authorised to issue on 16 April 2025

2. Material Accounting Policy Information

2.1 Statement of Compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and amendments issued thereafter.

2.2 Basis for preparation of financial statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) in India on accrual basis under the historical cost convention, except for certain financial instruments which are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purpose in these standalone financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

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

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

Level 3 inputs are unobservable inputs for the asset or liability.

Above levels of fair value hierarchy are applied consistently and generally, there are no transfers between the levels of the fair value hierarchy unless the circumstances change warranting such transfer

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is twelve months.

Amounts in the financial statements are presented in Indian Rupee in lakhs rounded off to two decimal places as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee to two decimals places

2.3 Use of Estimates

The preparation of these standalone financial statements requires the management of the Company to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the financial statements.

2.4 Property, Plant & Equipment and Other Intangible assets

Property, Plant & Equipment and Other intangible assets are stated at actual cost less accumulated depreciation and net of impairment. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

The cost of property, plant and equipment not available for use as at each reporting date is disclosed under capital work in progress.

Depreciation / amortization of Property, Plant & Equipment and Other Intangible assets

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, Plant & Equipment including assets taken on lease, other than freehold land is charged based on straight line method on an estimated useful life as per the technical estimates of the Management.

Particulars	Useful life
Buildings	28 years
Computers	3 years
Furniture and fixtures	5 years
Library Books	3 years
Plant and Machinery	5 years
Software	1 year
Vehicles	5 years
Lab equipment	5 years
Assets below ₹ 5000	In the year of purchase

Intangible assets are amortised over a period of one year.

Assets acquired under leasehold improvements are amortized over the shorter of estimated useful life of the asset or the related lease term. The estimated useful lives and residual values of the property, plant and equipment and intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of Property, Plant & Equipment and intangible asset 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 & Equipment and intangible assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Standalone statement of profit and loss.

2.5 Impairment of Assets

i) Financial assets

Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Impairment loss on financial assets carried at amortised cost is measured at 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. In a subsequent period, if the amount of impairment loss decreases and the decreases can be related objectively to an event, the previously recognised impairment is reversed through Statement of Income and Expenditure.

ii) Non-financial assets

Property, Plant & Equipment and Other Intangible assets

Property, Plant and Equipment and Other intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Income and Expenditure.

2.6 Interest Income

Interest income is recognised using effective interest rate method

2.7 Donations / Funds received

Donations received are accounted as contributions to corpus fund or treated as revenue based on the directions from the donor.

a) Corpus Fund

Donations received from donors with a direction for utilisation towards capital expenditure are treated as corpus fund.

b) Building and Equipment Fund

Donations received from donors with a direction for utilisation towards development of infrastructure facilities including buildings and equipment are treated as building and equipment fund.

c) University Fund

Donations received from donors with a direction for utilisation towards requirements of the Institution

d) Infrastructure Fund

Donations received from donors for development of infrastructure for ongoing projects is treated as Infrastructure Fund.

2.8 Foreign currency transactions

The functional currency of the Company is Indian Rupees (INR).

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities of foreign operations are restated into the functional currency using exchange rates prevailing on the date of the Balance Sheet. Gains and losses arising on settlement or restatement of foreign currency denominated monetary assets and liabilities are included in the Statement of Income and Expenditure.

2.9 Financial Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition / issue of financial assets or financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in Statement of Income and Expenditure.

i) Non-derivative financial instruments

Cash and cash equivalents

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

Financial assets at amortised cost

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

Financial assets at fair value

Financial asset not measured at amortised cost is carried at fair value through profit or loss (FVTPL) on initial recognition, unless the company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income.

The Company, on initial application of IndAS 109 Financial Instruments, has made an irrevocable election to present in other comprehensive income subsequent changes in fair value of equity instruments not held for trading.

Financial asset at FVTPL are measured at fair values at the end of each reporting period, with any gains or losses arising on remeasurement recognised in Statement of Income and Expenditure.

Financial liabilities

Financial liabilities at fair value through profit and loss are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Income and Expenditure.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

2.10 Taxation

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the respective countries.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset if there is convincing evidence that the Company will pay normal tax after the tax holiday period. Accordingly, it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

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

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

The Company recognises interest levied and penalties related to income tax assessments in income tax expenses.

Tax on distributed profits payable in accordance with the provisions of the Income-Tax Act, 1961 is disclosed in accordance with the Guidance Note on Accounting for Corporate Dividend Tax issued by the Institute of Chartered Accountants of India (ICAI)

2.11 Earnings per Share

Basic earnings/ (loss) per share are calculated by dividing the net surplus / (deficit) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings / (loss) per share, the net surplus / (deficit) 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.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

2.12 Provision, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. 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. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities and Contingent Assets are not recognized in the financial statements.

2.13 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

Useful lives of property, plant and equipment

The company reviews the estimated useful lives of property plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.

Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for the financial reporting purposes.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1inputs are not available, the Company engages third party qualified valuers to perform the valuation. Finance team works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Board reviews the fluctuations in the fair value of the assets and liabilities.

Provision for taxes

Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/ recovered for uncertain tax positions.

2.14 Borrowing Costs

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

2.15 Recent accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts in Indian Rupees (Rs.) lakhs, except for share data and where otherwise stated)

3. Property, Plant and Equipment *

	As at 31 March 2025	As at 31 March 2024
Buildings	**41,354.25**	15,039.50
Plant and Machinery	**8,661.84**	3,196.65
Leasehold Improvements	**655.31**	717.68
Computers	**738.69**	0.02
Office Equipment	**506.38**	34.16
Furniture and Fixtures	**3,396.04**	1,879.75
Library Books	**0.00**	0.02
Vehicles	**16.06**	0.00
Lab Equipments	**9.90**	28.34
	55,338.48	20,896.12

3.1 Cost or deemed Cost

	Buildings	Plant and Machinery	Leasehold Improvements	Computers	Office Equipment	Furniture and Fixtures	Library Books	Vehicle	Lab Equipments	Total
Balance as at 31 March 2023	13,789.96	2,566.12	833.72	921.38	278.97	2,223.01	168.87	20.22	1,148.97	21,951.22
Additions	2,939.56	2,152.05	-	-	4.61	883.65	-	-	-	5,979.87
Disposals / Adjustments	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	**16,729.51**	**4,718.17**	**833.72**	**921.38**	**283.58**	**3,106.65**	**168.87**	**20.22**	**1,148.97**	**27,931.09**
Additions	27,598.72	7,424.04	-	996.62	576.94	2,371.47	-	16.91	-	38,984.69
Disposals / Adjustments	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2025	**44,328.23**	**12,142.21**	**833.72**	**1,918.01**	**860.52**	**5,478.12**	**168.87**	**37.13**	**1,148.97**	**66,915.78**

3.2 Accumulated depreciation

	Buildings	Plant and Machinery	Leasehold Improvements	Computers	Office Equipment	Furniture and Fixtures	Library Books	Vehicle	Lab Equipments	Total
Balance as at 01 April 2023	1,170.14	547.87	10.39	912.44	232.34	505.79	167.95	16.85	1,089.70	4,653.47
Charge for the year	519.87	973.65	105.65	8.92	17.08	721.12	0.91	3.37	30.93	2,381.50
Disposals / Adjustments	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	**1,690.02**	**1,521.52**	**116.04**	**921.36**	**249.42**	**1,226.91**	**168.85**	**20.22**	**1,120.63**	**7,034.97**
Balance as at 01 April 2024	1,690.02	1,521.52	116.04	921.36	249.42	1,226.91	168.85	20.22	1,120.63	7,034.97
Charge for the year	1,283.96	1,958.85	62.37	257.96	104.72	855.18	0.02	0.84	18.44	4,542.32
Disposals / Adjustments	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2025	**2,973.98**	**3,480.37**	**178.41**	**1,179.31**	**354.14**	**2,082.08**	**168.87**	**21.06**	**1,139.07**	**11,577.30**

3.3 Carrying Amount

Balance as at 31 March 2024	15,039.50	3,196.65	717.68	0.02	34.16	1,879.75	0.02	0.00	28.34	20,896.12
Balance as at 31 March 2025	**41,354.25**	**8,661.84**	**655.31**	**738.69**	**506.38**	**3,396.04**	**0.00**	**16.06**	**9.90**	**55,338.48**

* The Company up to 31 March 2023, had leasing arrangement with Parent Company for the use of land for the development of infrastructure facilities. The said leases were terminated during the year 2023-24 with the Company and were entered into with Mahindra University (being the sponsored entity by the Company). The Company continues to develop the infrastructure on the said leased land.

		As at 31 March 2025	As at 31 March 2024
4	**Right-of-use assets**		
4.1	**Land and Buildings**		
4.1.1	**Gross carrying value**		
	Opening Balance	**-**	5,587.24
	Additions	**-**	-
	Disposals/Adjustments		(5,587.24)
	Closing Balance	**-**	-
4.1.2	**Accumulated depreciation**		
	Opening Balance	**-**	(1,414.62)
	Depreciation	**-**	-
	Disposals/Adjustments	**-**	1,414.62
	Closing Balance	**-**	-
4.1.3	**Net Carrying Amount**	**-**	-
5	**Capital work-in-progress**		
	At the beginning of the year	**30,293.74**	15,563.70
	Add: Cost incurred during the year	**22,388.07**	20,709.52
	Less: Transferred during the year	**(38,398.34)**	(5,979.48)
	Total	**14,283.48**	30,293.74

5.1 Ageing of Capital Work in Progress as on 31 March 2025

	Amount in CWIP for a period of				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress					
Hostel 4 A	**6,687.61**	**1,488.71**	**0.93**	**-**	**8,177.25**
Mahindra University /Main Campus works	**992.26**	**568.17**	**119.43**	**134.72**	**1,814.58**
MEI Infra / Dormitories SB Dining / MEI Offices	**15.58**	**-**	**-**	**-**	**15.58**
Hostel Phase II	**3.07**	**216.58**	**-**	**-**	**219.65**
School of Management	**23.60**	**74.77**	**12.80**	**-**	**111.17**
Guest House	**-**	**1.60**	**-**	**-**	**1.60**
Hostel III	**4.04**	**190.03**	**-**	**-**	**194.07**
MEI Academics /Lab Class Rooms /TASK Building/Auditorium	**280.76**	**89.43**	**-**	**-**	**370.19**
School of Law	**46.16**	**40.36**	**13.71**	**-**	**100.22**
Sports Complex	**68.64**	**50.64**	**-**	**-**	**119.28**
School of Media /LC Blocks	**425.14**	**1.78**	**-**	**-**	**426.92**

	Amount in CWIP for a period of				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Football ground / Building / Turf	**6.42**	**-**	**-**	**-**	**6.42**
Hostel V	**15.19**	**-**	**-**	**-**	**15.19**
IT Blocks /BT Labs	**1,379.06**	**-**		**-**	**1,379.06**
Hostel VI	**22.99**	**-**		**-**	**22.99**
IMSOE	**16.04**	**-**		**-**	**16.04**
VNAB - CB- Sustainability / SoD /CB Block	**424.28**	**-**		**-**	**424.28**
Hostel 4 B	**868.99**	**-**		**-**	**868.99**
	11,279.82	**2,722.07**	**146.87**	**134.72**	**14,283.48**

Ageing of Capital Work in Progress as on 31 March 2024

	Amount in CWIP for a period of				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress					
Hostel 4 A	2,014.54	-	-	-	2,014.54
Mahindra University	964.01	-	-	-	964.01
MEI Infra	5,007.72	2,590.38	347.82	-	7,945.92
Hostel Phase II	2,068.35	4,122.69	756.76	-	6,947.80
School of Management	93.05	-	-	-	93.05
Guest House	3,197.06	555.78	-	-	3,752.84
Hostel III	4,761.10	2,515.57	1.63	-	7,278.30
MEI Academics	603.48	-	-	-	603.48
School of Law	153.61	12.69	-	-	166.30
Sports Complex	58.31	-	-	-	58.31
School of Engineering	0.60	-	-	-	0.60
Python Hill	90.91	-	-	-	90.91
MEC	64.31	-	-	-	64.31
Consultancy	11.51	-	-	-	11.51
Exe Education	7.61	-	-	-	7.61
MU	57.07	236.00	-	-	293.07
School of Media	1.18	-	-	-	1.18
	19,154.41	10,033.12	1,106.21	-	30,293.74

6 Other intangible assets

	As at 31 March 2025	As at 31 March 2024
Software	**-**	-
Total	**-**	-

		As at 31 March 2025	As at 31 March 2024
6.1	**Software**		
6.1.1	**Cost or Deemed Cost**		
	Opening Balance	**521.96**	521.96
	Additions during the year	**-**	-
	Disposals/Adjustments during the year	**-**	-
	Closing Balance	**521.96**	521.96
6.1.2	**Accumulated Amortisation**		
	Opening Balance	**521.96**	521.96
	Amortisation for the year	**-**	-
	Disposals / Adjustments	**-**	-
	Closing Balance	**521.96**	521.96
6.1.3	**Carrying Amount**	**-**	-

		As at 31 March 2025	As at 31 March 2024
7	**Other financial assets**		
7.1	**Non-Current**		
	Investments in term deposits with Scheduled Banks [Refer Note 27.2]	**1,471.85**	1,401.65
	(with remaining maturity of more than twelve months)		
	[of the above ₹1000 Lakhs (31.03.2024: ₹1000 Lakhs) earmarked for Corpus Fund and ₹150 Lakhs (31.03.2024: ₹150 Lakhs) as Endowment Fund earmarked in terms of the LOI]		
	Security Deposits	**264.65**	196.78
	Total	**1,736.50**	1,598.43
7.2	**Current**		
	Interest Receivable on deposits with Banks	**6.52**	6.35
	Total	**6.52**	6.35
8	**Non-Current tax asset (net)**		
	Tax Deducted at Source	**125.70**	130.49
	Total	**125.70**	130.49
9	**Other assets**		
9.1	**Non-Current**		
	Capital Advances	**200.36**	836.93
	Total	**200.36**	836.93
9.2	**Current**		
	Prepaid expenses	**-**	1.88
	Other Advances	**-**	2.28
	Total	**-**	4.16

		As at 31 March 2025	As at 31 March 2024
10	**Trade receivables**		
	(a) Secured, considered good	-	-
	(b) Unsecured, considered good	-	-
	(c) Trade receivables which have significant increase in Credit Risk	-	-
	(d) Trade receivables - Credit Impaired	-	49.06
	Less: allowance for expected credit loss	-	(49.06)
	Total	-	-
10.1	**Of the above, trade receivables from:**		
	Related parties	-	-
	Others	-	-
	Total	-	-

10.2 Ageing of Trade Receivables

	Outstanding for following periods from due date of payment as on 31 March 2025						
	Not Due	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
(a) Considered good	-	-	-	-	-	-	-
(b) Have significant increase in credit risk	-	-	-	-	-	-	-
(c) Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
(a) Considered good	-	-	-	-	-	-	-
(b) Have significant increase in credit risk	-	-	-	-	-	-	-
(c) Credit impaired	-	-	-	-	-	-	-
Provision for trade receivables							-
Net trade receivables							-

	Outstanding for following periods from due date of payment as on 31 March 2024						
	Not Due	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
(a) Considered good	-	-	-	-	-	-	-
(b) Have significant increase in credit risk	-	-	-	-	-	-	-
(c) Credit impaired	-	-	-	-	-	49.06	49.06
Disputed trade receivables							
(a) Considered good	-	-	-	-	-	-	-
(b) Have significant increase in credit risk	-	-	-	-	-	-	-
(c) Credit impaired	-	-	-	-	-	-	-
Provision for trade receivables							(49.06)
Net trade receivables							-

		As at 31 March 2025	As at 31 March 2024
10.3	**Classification of trade receivables**		
	Non-Current	**-**	-
	Current	**-**	-
	Total	**-**	-
10.4	**Movement in allowance for expected credit loss**		
	Balance at the beginning of the year	**49.06**	61.38
	Add: Allowance for expected credit loss	**-**	-
	Less: Provision write back	**6.30**	12.32
	Less: Receivables written off	**42.76**	-
	Balance at the end of the year	**-**	49.06
11	**Cash and cash equivalents**		
	Balances with scheduled banks		
	In Savings accounts	**1,152.28**	246.20
	In Current accounts	**-**	0.48
	Total	**1,152.28**	246.68

12 Equity Share capital

	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	**Amount**	Number of Shares	Amount
Authorised Share Capital				
Equity share capital of Rs.10 each	**10,000**	**1.00**	10,000	1.00
Issued, Subscribed and Fully Paid up				
Equity share capital of Rs.10 each	**10,000**	**1.00**	10,000	1.00

12.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting period.

	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	**Amount**	Number of Shares	Amount
Equity share capital of Rs.10 each				
Balance as at beginning of the year	**10,000**	**1.00**	10,000	1.00
Issued during the period				
Balance as at end of the year	**10,000**	**1.00**	10,000	1.00

12.2 Shares held by holding/ultimate holding Company and/or their subsidiaries/associates

	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	**Amount**	Number of Shares	Amount
Equity shares of Rs.10 each fully paid held by				
Tech Mahindra Limited*	**10,000**	**1.00**	10,000	1.00

* includes 600 equity shares held jointly with others (31 March 2024: 200 equity shares held jointly with others)

12.3Details of shares held by each shareholders holding more than 5% shares in the Company

	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	**% of holding**	Number of Shares	% of holding
Equity shares of Rs.10 each fully paid held by				
Tech Mahindra Limited*	**10,000**	**100%**	10,000	100%

* includes 600 equity shares held jointly with others (31 March 2024: 200 equity shares held jointly with others)

12.4Details of shares held by promoters

	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	**% of holding**	Number of Shares	% of holding
Equity shares of Rs.10 each fully paid held by				
Tech Mahindra Limited*	**10,000**	**100%**	10,000	100%

* includes 600 equity shares held jointly with others

	As at 31 March 2024		As at 31 March 2023	
	Number of Shares	% of holding	Number of Shares	% of holding
Equity shares of Rs.10 each fully paid held by				
Tech Mahindra Limited*	**10,000**	**100%**	10,000	100%

* includes 200 equity shares held jointly with others

12.5 Rights, preferences and restrictions attached to equity shares

The equity shares of the Company having par value of ₹10/- per share, rank pari passu in all respects. Repayment of the capital in the event of wining up of the Company will inter alia be subject to the provisions of Companies Act, 2013 and the Articles of Association of the Company and the same shall not be distributed amongst the members of the Company but shall be given or transferred to such other Company having objects similar to the objects of the Company to be determined by the members of the Company at or before the time of dissolution.

		As at 31 March 2025	As at 31 March 2024
13	**Other equity**		
	Corpus Fund	**1,166.00**	1,166.00
	University Fund	**4,000.00**	4,000.00
	Building and Equipment Fund	**30,287.49**	12,135.00
	Infrastructure Fund	**7,166.65**	7,166.65
	Retained Earnings	**(986.98)**	3,566.76
	Items of Other Comprehensive Income		
	Remeasurement of defined benefit plans	**248.61**	248.61
	Total	**41,881.77**	28,283.02
13.1	**Corpus Fund**		
	Opening balance	**1,166.00**	1,166.00
	Contributions received during the year	**-**	-
	Closing balance	**1,166.00**	1,166.00

		As at 31 March 2025	As at 31 March 2024
13.2	**University Fund**		
	Opening balance	**4,000.00**	4,000.00
	Contributions received during the year	**-**	-
	Closing balance	**4,000.00**	4,000.00
13.3	**Building and Equipment Fund**		
	Opening balance	**12,135.00**	12,135.00
	Contributions received during the year	**18,152.49**	-
	Closing balance	**30,287.49**	12,135.00
13.4	**Infrastructure Fund**		
	Opening balance	**7,166.65**	-
	Contributions received during the year	**-**	7,166.65
	Closing balance	**7,166.65**	7,166.65
13.5	**Retained Earnings**		
	Opening balance	**3,566.76**	6,882.27
	Surplus / (Deficit) for the year	**(4,553.74)**	(3,315.51)
	Closing balance	**(986.98)**	3,566.76
13.6	**Other Comprehensive Income accumulated in Other Equity, net of tax**		
	Remeasurement of defined benefit plans		
	Opening balance	**248.61**	248.61
	Surplus / (Deficit) for the year	**-**	-
	Closing balance	**248.61**	248.61

13.7 Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

		As at 31 March 2025	As at 31 March 2024
14	**Borrowings**		
	Secured		
	Term loans from Banks [Refer Note 14.1]	**25,189.07**	22,058.80
	Unsecured		
	Loans from related parties-		
	Inter Corporate Loan [Refer Note 14.2 and 26]	**1,018.74**	-
		26,207.81	22,058.80

14.1 Term loan from Kotak bank is secured by first and exclusive hypothecation charge on all existing & future movable fixed assets of the Company except Vehicles, further secured by a Corporate Guarantee of Parent company. The term loan carries rate of interest ranging from @ 9.20% to 9.40% pa and repayable by way of 20 equal quarterly instalments starting from 39th month following the month of first disbursement of loan.

14.2 Unsecured loans from related parties - Inter corporate loan from Mahindra & Mahindra Limited, carries interest ranging from 9.15% to 9.27% pa and repayable by way of 20 equal quarterly instalments of ₹5 Crores starting from 39th month following the month of first disbursement of ICD.

		As at 31 March 2025	As at 31 March 2024
15	**Trade Payables**		
	(a) total outstanding dues of micro enterprises and small enterprises	**-**	-
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises	**24.78**	29.48
	Total	**24.78**	29.48

15.1	**Of the above, Trade payables from:**		
	Related parties	**-**	-
	Others	**24.78**	29.48
		24.78	29.48

15.2 Ageing of Trade Payables

	Outstanding for following periods from due date of payment as on 31 March 2025					
	Not Due	**Less than 1 Year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
MSME	**-**	**-**	**-**	**-**	**-**	**-**
Others	**-**	**24.78**	**-**	**-**	**-**	**24.78**
Disputed dues - MSME	**-**	**-**	**-**	**-**	**-**	**-**
Disputed dues - Others	**-**	**-**	**-**	**-**	**-**	**-**

	Outstanding for following periods from due date of payment as on 31 March 2024					
	Not Due	**Less than 1 Year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
MSME	-	-	-	-	-	-
Others	-	29.48	-	-	-	29.48
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

15.3 Trade payable include dues to Micro and Small Enterprises, under the Micro, Small and Medium Enterprises Development Act, 2006 that have been determined based on the information available with the Company and the required disclosures are given below:

		As at 31 March 2025	As at 31 March 2024
a)	Principal amount remaining unpaid	**-**	-
b)	Interest due thereon	**-**	-
c)	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	**-**	-
d)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	**-**	-
e)	Interest accrued and remaining unpaid	**-**	-
f)	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	**-**	-

		As at 31 March 2025	As at 31 March 2024
16	**Other Financial Liabilities**		
	Current		
	Caution Deposit from students	**5.85**	41.07
	Creditors for capital supplies	**780.23**	-
	Total	**786.08**	41.07
17	**Other current liabilities**		
	Statutory payables	**49.22**	33.65
	Fee received in advance	**-**	5.60
	Retention money	**1,928.87**	2,252.65
	Payable to Related Parties [Refer Note 26]	**1,726.59**	1,143.79
	Others	**237.20**	163.84
	Total	**3,941.88**	3,599.53

		Year Ended 31 March 2025	Year Ended 31 March 2024
18	**Fee from Academic Courses**		
	Academic fee	**-**	269.71
	Hostel fee	**-**	65.54
	Total	**-**	335.25
19	**Other Income**		
	Interest on -		
	Fixed Deposits	**78.18**	74.75
	Savings Account	**68.70**	24.88
	Income Tax Refund	**0.96**	-
	Provisions no longer required written back	**6.30**	70.20
	Miscellaneous income	**42.90**	33.70
	Profit on derecognition of lease liability	**-**	78.91
	Total	**197.04**	282.44
20	**Academic Expenses**		
	Affiliation fees	**0.02**	14.18
	Laboratory expenses	**-**	0.34
	Other expenses	**-**	0.63
	Total	**0.02**	15.15
21	**Employee Benefits Expense**		
	Salaries and wages	**-**	66.99
	Contribution to provident and other funds	**-**	5.14
	Total	**-**	72.13

		Year Ended 31 March 2025	Year Ended 31 March 2024
22	**Finance Cost**		
	Interest on term loans from banks and others	**2,371.87**	1,269.70
	Other borrowing costs	**639.17**	-
	Interest on caution deposit	**-**	0.93
	Less: Transferred to capital work-in-progress	**(3,011.04)**	-
	Total	**-**	1,270.63

		Year Ended 31 March 2025	Year Ended 31 March 2024
23	**Depreciation and Amortization Expense**		
	On tangible assets	**4,542.32**	2,381.50
	Total	**4,542.32**	2,381.50

		Year Ended 31 March 2025	Year Ended 31 March 2024
24	**Other expenses**		
	Rates and taxes	**36.58**	5.03
	Printing and Stationery	**-**	0.29
	Travelling and Conveyance	**0.01**	0.02
	Repair and Maintenance	**35.48**	30.66
	Security Charges	**-**	8.43
	General Office Expenses	**3.35**	9.62
	Legal and Professional Charges	**91.00**	29.27
	Auditors' Remuneration [Refer note 24.1]	**5.90**	5.90
	Catering expenses	**-**	47.23
	Bad debts written off	**42.76**	-
	Less: Provision for doubtful debts	**(42.76)**	-
	Water charges	**-**	1.58
	Insurance - Others	**36.12**	23.55
	Bank Charges	**-**	0.21
	Corporate Social Responsibility [Refer Note 30]	**-**	32.00
	Total	**208.44**	193.79

		Year Ended 31 March 2025	Year Ended 31 March 2024
24.1	**Auditors' Remuneration included under Legal and Professional Charges (Including service tax/Good and service tax)**		
	for Statutory Audit	**4.13**	4.13
	for Tax Audit	**1.77**	1.77
	Total	**5.90**	5.90

		As at 31 March 2025	As at 31 March 2024
25	**Commitments and Contingencies**		
25.1	Estimated amount of contracts remaining to be executed on capital account and not provided for	**4,319.22**	13,872.40

25.2 Sponsoring Body Obligations

The Mahindra Educational Institutions ("MEI"), as sponsoring body, under The Telangana State Private Universities (Establishment and Regulation) Act, 2018 ("the Act") established a private University viz Mahindra University (""MU"") in accordance with section 10 of the Act. In terms of approval by the Telangana State Government and no objection from Jawaharlal Nehru Technology Institute ('JNTU'), MEI would continue the academic activity for existing students under JNTU and any fresh admissions would be under MU. The infrastructure developed by MEI, relating to academic activity will be provided to MU by MEI. Accordingly, MEI would continue its charitable activity in academics through MU as Sponsoring Body. The Sponsoring Body, MEI under the Act, has given certain financial assurances and agreed to provide initial infrastructure necessary to commence the academic activities of the University as per the LOI. As a Sponsoring Body, the MEI has following obligations in terms of the LOI:

a) Following two parcels of land to be registered in its name within a period of six months: 5 Acres 20 guntas and 16 Acres .056 guntas which are leased for a period of 29 years 10 months. This has been subsequently amended to include perpetual irrevocable lease in the name of sponsoring body for 90 years period of time and MEI complied with the requirement.

b) Establish corpus fund of ₹ 10.00 crores

c) ₹ 30 Crores in the form of fixed deposit for a period of 3 years to support the various activities like construction of buildings, infrastructure and campus development etc. The deposit has been closed with due approval from the Government of Telangana, Higher education (UE) Department and utilised the proceeds for the development of infrastructure in MEI.

d) Maintain endowment fund of 1% of the Project cost or ₹ 10 Crores whichever is lower.

e) Furnish sale / gift deed of the land favouring sponsoring body (amended to lease vide 1 above) and allocating the land exclusively to MU.

The MEI has made deposits and held in its name against its obligation as sponsoring body. The MEI has made a deposit of ₹ 1.50 Crores in the name of MU and State Government of Telangana towards endowment fund obligation and would transfer to MU in due course.

25.3 Contingent Liabilities - Nil [31 March 2024: ₹ Nil]

26 Related Party Transactions

26.1 Following is the list of related parties and their relationships

A Holding Company

1 Tech Mahindra Limited

B Enterprise having significant influence over holding company

2 Mahindra and Mahindra Limited

C Fellow Subsidiaries

3 Comviva Technologies Limited

4 Zen3 Infosolutions Private Limited

5 Tech Mahindra Technologies Inc

6 Allyis India Private Limited

7 Tech Mahindra Cerium Private Limited (merged with Tech Mahindra Limited wef 23-01-2025)

8 Thirdware Solution Limited (merged with Tech Mahindra Limited wef 23-01-2025)

D KMP of the Holding Company

9 Shri G Anand Mahindra

26.2 Related party transactions during the year

	Year ended 31 March 2025	Year ended 31 March 2024
Tech Mahindra Limited		
Infrastructure Fund	**-**	6,702.01
Building and Equipment Fund	**7,493.00**	-
Mahindra & Mahindra Limited		
Building and Equipment Fund	**5,520.00**	-
Inter Corporate Loan	**1,000.00**	-
Interest expenses	**43.89**	-
Comviva Technologies Limited		
Infrastructure Fund	**-**	166.04
Building and Equipment Fund	**105.00**	-
Zen3 Infosolutions Private Limited		
Infrastructure Fund	**-**	13.41
Building and Equipment Fund	**11.52**	-
Tech Mahindra Technologies Inc		
Infrastructure Fund	**-**	21.89
Building and Equipment Fund	**10.55**	-
Allyis India Private Limited		
Infrastructure Fund	**-**	8.80
Building and Equipment Fund	**12.42**	-
Tech Mahindra Cerium Private Limited		
Infrastructure Fund	**-**	72.50
Thirdware Solution Limited		
Infrastructure Fund	**-**	97.00
Shri G Anand Mahindra		
Building and Equipment Fund	**5,000.00**	-

	As at 31 March 2025	As at 31 March 2024
26.3 Balances outstanding at the end of the year		
Tech Mahindra Limited		
Trade Payables	**1,726.59**	1141.59
Mahindra & Mahindra Limited		
Inter Corporate Loan	**1,000.00**	-
Interest payable	**18.74**	-

27 Segment Information

Based on the assessment of the chief operating decision maker ('CODM'), for the purpose of resource allocation and assessment of segment performance, the Company has only one business segment viz, of providing educational services. Hence there are no reportable segments under Ind AS. During the year under report, substantial part of the Company's operations have been carried out in India and no separate geographical disclosures are considered necessary.

28 Earnings Per Equity Share

	As at 31 March 2025	As at 31 March 2024
Net surplus / (deficit) after tax	**(4,553.74)**	(3,315.51)
Shares - [in Numbers]		
Number of shares at the beginning of the year	**10,000**	10,000
Total number of equity shares outstanding at the end of the year	**10,000**	10,000
Weighted average number of equity shares outstanding during the year - Basic and Diluted	**10,000**	10,000
Earnings per share in ₹ - Par value of ₹10 per share		
Basic and Diluted* [in ₹ per share]	**(45,537.44)**	(33,155.10)

* The Company has no dilutive instruments.

29 Financial Instruments

29.1 Accounting classification and fair values

The carrying amounts and fair values of financial instruments by class are as follows:

	As at 31 March 2025	As at 31 March 2024
Financial Assets		
Financial assets measured at fair value	**-**	-
Financial assets measured at amortised cost		
Other financial assets	**1,743.02**	1,604.78
Financial Liabilities		
Financial liabilities measured at fair value		
Financial liabilities measured at amortised cost		
Borrowings	**26,207.81**	22,058.80
Trade Payables	**24.78**	29.48
Other financial liabilities	**786.08**	41.07

The Company has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, trade payables, borrowings at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

29.2 Fair value hierarchy

The fair value of financial instruments as referred to in note 30.1 above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The Company does not have any financial assets and liabilities, which are measured at fair value.

Other financial assets and liabilities

Cash and cash equivalents, trade receivables, investments in term deposits, other financial assets, trade payables and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

29.3 Financial Risk Management

The Company's activities are not exposed to liquidity or market risks. The Company's senior management has the overall responsibility for establishing and governing the company's risk management frame work. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the board annually.

30 Corporate Social Responsibility (CSR)

As per Section135 of the Companies Act,2013, a Company, on meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. However, CSR provisions u/s 135 of the Act are not applicable to the Company for the year.

Particulars	As at 31 March 2025	As at 31 March 2024
Amount required to be spent by the company during the year	**-**	32.00
Amount of expenditure incurred	**-**	32.00
Shortfall at the end of the year	**-**	-
Total of previous years shortfall	**-**	-
Reason for shortfall	**NA**	NA
Nature of CSR activities	**-**	Promoting education
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**	NA

31 Ratios

S. No.	Ratio	Numerator	Denominator	31 March 2025	31 March 2024	% Variance
a)	Current ratio	Current Assets	Current Liabilities	**0.24**	0.07	248%
b)	Debt equity ratio	Debts	Total Equity	**0.63**	0.78	-20%
c)	Debt service coverage ratio	Earnings available for debt service	Debt Service	**-0.00**	0.27	-102%
d)	Return on equity	Net Profits after taxes	Average Shareholder's Equity	**0.11**	0.12	-7%
e)	Inventory turnover ratio *	-	-	**-**	-	-
f)	Trade receivables turnover ratio	Revenue	Average Trade Receivable	**-**	2.02	-100%
g)	Trade payables turnover ratio	Purchases of services and other expenses	Average Trade Payables	**7.68**	8.10	-5%
h)	Net capital Turnover ratio	Revenue	Working Capital	**-**	-0.08	-100%
i)	Net profit ratio	Net Profit	Revenue	**-**	12.29	-100%
j)	Return on capital employed	Earning before interest and taxes	Capital Employed	**0.07**	0.04	65%
k)	Return on investment*	-	-	**-**	-	-

* These ratios are not applicable to the company at present.

The change in the ratios compared to previous year is on account of Loss incurred in the current year due to reduction of revenue / receivables, reduction in the operating cost due to completion of academic batches.

32 Other Statutory Information

(i) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) The Company does not have any transactions with companies struck off any section 248 of Companies Act 2013 or Section 560 of Companies Act 1956.

(iii) There are no charges pending creation as at reporting date

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) 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

(vi) 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,

(vii) The Company does not have any transaction which is not recorded in the books of accounts 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).

(viii) The Company has not been declared as a willful defaulter by any bank or financial institution or other lender.

(ix) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the year.

33 The Company is exempted from income tax u/s 11 and 12 of the Income Tax Act, 1961. Tax assessment upto AY 23-24 are complete granting exemption to the income of the Company.

for and on behalf of the Board of Directors of
Mahindra Educational Institutions
CIN: U80300TG2013NPL086878

Mohit Joshi	**Milind Kulkarni**
Director	Director
DIN:08339247	DIN:00012888

Hyderabad, 16 April 2025

TECH mahindra

Tech Mahindra Limited

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