

**PB FINTECH FZ - LLC AND ITS SUBSIDIARY  
DUBAI - UNITED ARAB EMIRATES**

**AUDITOR'S REPORT AND  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2024**

**PB Fintech FZ - LLC and its Subsidiary**  
**Dubai - United Arab Emirates**  
**for the year ended March 31, 2024**

Table of contents

	<b>Pages</b>
Director's Report	1 - 2
Independent Auditor's Report	3 - 5
Consolidated Statement of Financial Position	6
Consolidated Statement of Profit or Loss and other Comprehensive Income	7
Consolidated Statement of Changes in Shareholder's Equity	8
Consolidated Statement of Cash Flows	9
Notes to the Consolidated Financial Statements	10 - 33

## DIRECTOR'S REPORT

The Board of directors of PB Fintech FZ - LLC, Dubai, United Arab Emirates ("the Company") and its subsidiary together ("the Group") submit their report along with the audited statements of the Group for the year ended March 31, 2024.

### Principal activities:

The main activities of the Company is E-Commerce Portal in United Arab Emirates.

### Financial Results:

The Group has reported a net loss of AED 13,254,356 for the year ended March 31, 2024 as compared to net loss of AED 18,365,769 for the year ended March 31, 2023. The revenue for the year ended March 31, 2024 is AED 38,478,494 as compared to AED 21,995,702 for the year ended March 31, 2023.

### Financial Summary:

Particulars	for the year ended	for the year ended
	March 31, 2024	March 31, 2023
	AED	AED
Revenue	38,478,493	21,995,702
Gross profit	18,125,085	9,090,757
Total comprehensive (loss)	(13,991,608)	(18,365,769)

### Share Capital:

The Group, during the year has increased its share capital from AED 48,963,000 to AED 64,300,000 by issuing additional 15,337 shares of AED 1,000 each as per resolution dated April 07,2023.

### Auditors:

M/s. Acuvat Auditing were appointed as auditors of the Group for the year ended March 31, 2024. M/s. Acuvat Auditing are eligible for re-appointment and have expressed their willingness to continue in office.

### Directors' Responsibilities Statement:

The applicable requirements require the management to prepare the consolidated financial statements for each financial year which present fairly in all material respects, the financial position of the Group and its consolidated financial performance for the year then ended.

The audited consolidated financial statements for the year under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The directors confirm that sufficient care has been taken for the maintenance of proper and adequate accounting records that disclose with reasonable accuracy at any time, the consolidated financial position of the Group and enables them to ensure that the consolidated financial statements comply with the requirements of applicable statute. So far as the directors are aware, there is no relevant audit information of which the auditor is unaware, and the directors have taken all the steps in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

## **DIRECTORS' REPORT** *(Continued)*

### **Directors' Responsibilities Statement** *(Continued)*

The directors also confirm that appropriate accounting policies have been selected and applied consistently in order that the consolidated financial statements reflect fairly the form and substance of the transactions carried out during the year under review and reasonably present the Group's financial conditions and results of its operations.

### **Acknowledgements:**

The directors would like to express their thanks and appreciation to the shareholders, clients and the business partners of the Group whose continued support has been a source of great encouragement.

The directors would like to place on record their communication of the efforts of the Group management and their loyalty, perseverance and the hard work that has been put by them for the benefit of the Group and its shareholders.

These consolidated financial statements were approved and signed on behalf of the Group by the authorized signatory of the Group.

### **On behalf of the Group**



---

**Neeraj Gupta**

**(Director)**

Dubai, United Arab Emirates

April 30, 2024

**Independent Auditor's Report**

To,  
The Shareholder of  
PB Fintech FZ - LLC and its Subsidiary  
Dubai - United Arab Emirates

**Report on the audit of the consolidated financial statements**

**Opinion**

We have audited the accompanying financial statements of PB FINTECH FZ - LLC, Dubai, United Arab Emirates ("the Company") and its subsidiary together ("the Group") which comprise the consolidated statement of financial position as at March 31, 2024 and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholder's equity, consolidated statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group, as at March 31, 2024 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

**Basis for Opinion**

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS and their preparation in compliance with applicable provisions of the Dubai Development Authority, UAE Federal Decree Law No. (32) of 2021 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Those charged with Governance are responsible for overseeing the Group's financial reporting process.



**Independent Auditor's Report (Continued)**

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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.

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**

Further we report that:

- i) we have obtained all the information and explanations we considered necessary for the purposes of our audit;

**Independent Auditor's Report (Continued)**

**Report on Other Legal and Regulatory Requirements (Continued)**

ii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of Dubai Development Authority and UAE Federal Decree Law No. (32) of 2021;

iii) the financial information included in the Directors' report, in so far as it relates to these financial statements, is consistent with the books of account of the Group;

iv) based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Group has contravened during the financial year ended March 31, 2024 any of the applicable provisions of Dubai Development Authority, UAE Federal Decree Law No. (32) of 2021 or Group's Articles of Association, which would materially affect its activities or its consolidated financial position as at March 31, 2024.



Ahmad Juma Saif Obaid Al Suwaidi  
Acuvat Auditing  
Chartered Accountants  
Dubai – United Arab Emirates



Reg. No.: (923)  
May 6, 2024

**PB Fintech FZ -LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Consolidated Statement of Financial Position**  
**As at March 31, 2024**

	Notes	As at March 31, 2024 AED	As at March 31, 2023 AED
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	300,127	470,276
Investment	7	10,349,871	13,133,267
<b>Total non-current assets</b>		<b>10,649,998</b>	<b>13,603,543</b>
<b>Current assets</b>			
Cash and cash equivalents	8	6,286,374	1,201,304
Trade and other receivables	9	17,937,675	13,022,086
Due from related party	14 c	1,335,716	165,794
<b>Total current assets</b>		<b>25,559,765</b>	<b>14,389,184</b>
<b>Total Assets</b>		<b>36,209,763</b>	<b>27,992,727</b>
<b>Shareholder's Equity</b>			
Share Capital	10	64,300,000	48,963,000
<b>Reserves &amp; Surplus</b>			
Reserves & Surplus	11	(39,432,803)	(30,871,000)
<b>Total Shareholder's Equity</b>		<b>24,867,197</b>	<b>18,092,000</b>
<b>Non-current liabilities</b>			
Provision for employees' end of service benefits	12	475,147	132,197
<b>Total non-current liabilities</b>		<b>475,147</b>	<b>132,197</b>
<b>Current liabilities</b>			
Trade and other payables	13	5,113,702	5,599,853
Due to related party	14 b	5,753,717	4,168,677
<b>Total current liabilities</b>		<b>10,867,419</b>	<b>9,768,530</b>
<b>Total Liabilities</b>		<b>11,342,566</b>	<b>9,900,727</b>
<b>Total Liabilities and Shareholder's Equity</b>		<b>36,209,763</b>	<b>27,992,727</b>

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

The report of the auditor's is set out on the page 3 to 5.

The consolidated financial statements on pages 6 to 33 were approved and signed by the authorized signatory on April 30, 2024.

  
**Neeraj Gupta**  
**Director**



**PB Fintech FZ -LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Consolidated Statement of Profit or Loss and other Comprehensive Income**  
**For the year ended March 31, 2024**

	Notes	For year ended March 31, 2024 AED	For year ended March 31, 2023 AED
Revenue	15	38,478,493	21,995,702
Cost of revenue	16	(20,353,408)	(12,904,945)
<b>Gross profit</b>		<b>18,125,085</b>	<b>9,090,757</b>
General and Administration expenses	17	(13,825,663)	(15,811,036)
Selling and Marketing expenses	18	(17,245,683)	(11,789,666)
Depreciation	6	(214,437)	(183,894)
Other (Loss)/Income	19	(834,541)	334,144
Foreign Exchange Gain/(Loss)-Net		(9,190)	(6,074)
<b>Net (loss) during the year</b>		<b>(14,004,429)</b>	<b>(18,365,769)</b>
Less: Transfer to statutory reserve		(12,821)	-
<b>Total comprehensive (loss) for the year</b>		<b>(13,991,608)</b>	<b>(18,365,769)</b>
<b>Earnings per share:</b>			
Basic	24	(218)	(375)
Diluted		(218)	(375)

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

The report of the auditor's is set out on the page 3 to 5.

The consolidated financial statements on pages 6 to 33 were approved and signed by the authorized signatory on April 30, 2024.



**Neeraj Gupta**  
**Director**

**PB Fintech FZ -LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Consolidated Statement of Changes in Shareholder's Equity**  
**For the year ended March 31, 2024**

	<u>Share Capital</u> AED	<u>Statutory Reserve</u> AED	<u>ESOP Reserve</u> AED	<u>Securities Premium</u> AED	<u>Accumulated Losses</u> AED	<u>Total</u> AED
<b>Consolidated Changes in Shareholder's Equity:</b>						
<b>As at 31 March 2022</b>	48,963,000	-	3,347,586	5,580,152	(25,951,518)	31,939,220
Issued during the year	-	-	-	-	-	-
Created during the year	-	-	4,518,549	-	-	4,518,549
Net (loss) for the year	-	-	-	-	(18,365,769)	(18,365,769)
<b>As at 31 March 2023</b>	<b>48,963,000</b>		<b>7,866,135</b>	<b>5,580,152</b>	<b>(44,317,287)</b>	<b>18,092,000</b>
Issued during the year	15,337,000	-	-	2,453,920	-	17,790,920
Created during the year	-	-	2,988,706	-	-	2,988,706
Transfer during the year	-	12,821	-	-	(12,821)	-
Net (loss) for the year	-	-	-	-	(14,004,429)	(14,004,429)
<b>As at 31 March 2024</b>	<b>64,300,000</b>	<b>12,821</b>	<b>10,854,841</b>	<b>8,034,072</b>	<b>(58,334,537)</b>	<b>24,867,197</b>

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

The report of the auditor's is set out on the page 3 to 5.

**PB Fintech FZ -LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Consolidated Statement of Cash Flows**  
**For the year ended March 31, 2024**

	<b>For year ended</b>	<b>For year ended</b>
	<b>March 31, 2024</b>	<b>March 31, 2023</b>
	<b>AED</b>	<b>AED</b>
<b>Cash flows from operating activities:</b>		
Net (loss) during the year	(14,004,429)	(18,365,769)
Adjustments for:		
Depreciation	214,437	183,894
Provision for employees' end of service benefits	405,847	63,429
ESOP Reserve	2,988,706	4,518,549
<b>Net cash flows before changes in operating assets &amp; liabilities</b>	<b>(10,395,439)</b>	<b>(13,599,897)</b>
<b>(Increase)/decrease in current assets</b>		
Trade and other receivables	(4,915,589)	(8,552,044)
Due from related party	(1,169,922)	(165,794)
<b>Increase/(decrease) in current liabilities</b>		
Trade and other payables	(486,151)	3,191,892
Due to related parties	1,585,040	1,359,969
<b>Net cash (used in) operations</b>	<b>(15,382,061)</b>	<b>(17,765,874)</b>
Employees' end of service benefits paid	(62,897)	(8,326)
<b>Net cash (used in) operating activities</b>	<b>(15,444,958)</b>	<b>(17,774,200)</b>
<b>Cash flow from Investing activities</b>		
Purchase of property, plant & equipment	(44,288)	(273,027)
Investment increase/(decrease)	2,783,396	(7,613,267)
<b>Net cash (used in) investing activities</b>	<b>2,739,108</b>	<b>(7,886,294)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from issuance of share capital	15,337,000	-
Proceeds from Share Premium	2,453,920	-
<b>Net cash (used in) financing activities</b>	<b>17,790,920</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>5,085,070</b>	<b>(25,660,494)</b>
<b>Cash and cash equivalents, beginning of the year</b>	<b>1,201,304</b>	<b>26,861,798</b>
<b>Cash and cash equivalents, end of the year</b>	<b>6,286,374</b>	<b>1,201,304</b>
<b>Represented by:</b>		
Cash at bank	6,286,374	1,201,304
	<b>6,286,374</b>	<b>1,201,304</b>

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

The report of the auditor's is set out on the page 3 to 5.

**PB Fintech FZ -LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

**6 Property, plant and equipment**

	<b><u>Office &amp; IT Equipment</u></b>	<b><u>Furniture &amp; Fixtures</u></b>	<b><u>Property Lease hold improvements</u></b>	<b><u>Total</u></b>
<b>Cost:</b>	<b>AED</b>	<b>AED</b>	<b>AED</b>	<b>AED</b>
As on April 01, 2022	235,731	111,919	103,375	451,025
Additions	270,967	2,060	-	273,027
As at March 31, 2023	<u>506,698</u>	<u>113,979</u>	<u>103,375</u>	<u>724,052</u>
As on April 01, 2023	506,698	113,979	103,375	724,052
Additions	39,988	4,300	-	44,288
<b>As at March 31, 2024</b>	<b><u>546,686</u></b>	<b><u>118,279</u></b>	<b><u>103,375</u></b>	<b><u>768,340</u></b>
<b>Depreciation:</b>				
As on April 01, 2022	35,388	10,948	23,546	69,882
Depreciation for the year	140,997	15,397	27,500	183,894
As at March 31, 2023	<u>176,385</u>	<u>26,345</u>	<u>51,046</u>	<u>253,776</u>
As on April 01, 2023	176,385	26,345	51,046	253,776
Depreciation for the year	172,195	14,739	27,503	214,437
<b>As at March 31, 2024</b>	<b><u>348,580</u></b>	<b><u>41,084</u></b>	<b><u>78,549</u></b>	<b><u>468,213</u></b>
<b>Net book value:</b>				
<b>As at March 31, 2024</b>	<b><u>198,106</u></b>	<b><u>77,195</u></b>	<b><u>24,826</u></b>	<b><u>300,127</u></b>
As at March 31, 2023	<u>330,313</u>	<u>87,634</u>	<u>52,329</u>	<u>470,276</u>

**PB Fintech FZ - LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

---

**1 Legal status and business activity:**

**1.1** PB Fintech FZ - LLC. ("The Company") was incorporated on March 08, 2018 and operates as Free Zone Limited Liability Group (FZ- LLC) in the Emirate of Dubai, United Arab Emirates, under a commercial license issued by the Dubai Development Authority, Government of Dubai, United Arab Emirates.

**1.2** The main activities of the Company is E-Commerce Portal in United Arab Emirates.

**1.3** The registered office of the Company is located at Premises no. 102, 1st Floor, Building - A, Dubai Outsource City, Dubai - United Arab Emirates.

The Company has its operations office at the same premises as follows:

The operational team of the Company works at Premises No. 214, Second Floor, Building 6, Dubai Outsource City, Dubai - United Arab Emirates.

**1.4** The management and control are vested with the Holding Group PB Fintech Limited [ Erstwhile PB Fintech Private Limited/ Etechaces Marketing and Consulting Private Limited] ("the Holding Company" a Company incorporated under the laws of India with commercial registration number L51909HR2008PLC037998.

**1.5** These consolidated financial statements incorporate the operating results of commercial license No. 94558 issued by the Dubai Development Authority, Government of Dubai, United Arab Emirates.

*Implementation of UAE Corporation Tax Law and application of IAS 12 Income Taxes*

On 9 December 2022 UAE Federal Decree-Law No. 47 of 2022 was published setting in place a general corporate income tax for the first time. The profit threshold of AED 375,000 at which the 9% tax will apply was set in place by Cabinet Decision No. 116 of 2022 which was published on 16 January 2023 and at this point the tax law was considered enacted and substantively enacted for accounting purposes. While current taxes are not payable on profits generated before the Group's financial year commencing on 1st April 2024, the existence of an enacted tax law results in the need to immediately record deferred taxes on assets and liabilities where the carrying amount differs from the tax base.

Based on the assessment, the Group has noted no potential deferred tax impact for the year ended 31 March 2024. The Group will continue to assess the expected impact, and continue to evaluate its interpretation in light of the Decisions and related guidance.

**The shareholding pattern as at the end of reporting period is as below:**

Shareholder	% Holding
PB Fintech Limited	100%



**PB Fintech FZ - LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

**2 Basis of consolidation**

The consolidated financial statements comprise the financial results of the Group and its subsidiary (together "the Group"):

<b>Name of the Subsidiary</b>	<b>Principal activities</b>	<b>Country of Incorporation</b>	<b>Ownership</b>
Zphin Computer Systems and Software Designing – Sole Proprietorship L.L.C	Information Technology Network Services, Electronic Equipment and Devices Systems And Software Designing, Designing the Databases, Retail Sale of Computer Systems and Software, Services, Management and Operation of Computer Networks. Consulting Technical Equipment And Technical Development and innovation in financial solutions and techniques, Computer System Housing Services, Computer Systems and Software Designing and Development and innovation in computer systems and programs.	United Arab Emirates	100%

The Group incorporated a wholly owned subsidiary on November 23, 2022 named Zphin Computer Systems and Software Designing– Sole Proprietorship L.L.C in the emirate of Abud Dhabi, United Arab Emirates. The subsidiary fully consolidated from the date on which control is transferred to the Group.

Control is achieved when the Group 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.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights to, variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control of the subsidiary and ceases when the Group loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed off during the year are included in the statement of profit or loss and other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Where necessary, adjustments are made to the consolidated financial statements of subsidiary to bring their accounting policies into line with the Group's accounting policies. The consolidated financial statements of the subsidiary are prepared for the same reporting period as the parent Group, using consistent accounting policies. All intragroup equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

**PB Fintech FZ - LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

---

**3 Basis of preparation**

**a Statement of compliance**

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the interpretation issued by the International Financial Reporting Interpretations Committee ("IFRIC") applicable to companies reporting under IFRS. The consolidated financial statements comply with the IFRS as issued by the International Accounting Standards Board (IASB). These consolidated financial statements have been prepared under the historical cost convention.

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements for period April 01, 2023 to March 31, 2024.

These consolidated financial statements are presented in United Arab Emirates Dirham ("AED"), which is the Group's functional currency.

**b Going concern**

The consolidated financial statements have been prepared based on Going Concern basis.

While preparing the consolidated financial statements, management makes an assessment of the Group's ability to continue as a going concern. Consolidated financial statements are prepared on a going concern basis unless management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The Group has incurred a loss for the year ended March 31, 2024 of AED 13,395,385 (Previous year : AED 18,338,075) and as at that date its accumulated losses of AED 57,684,978 (Previous year: AED 44,289,593). The ability of the Group continue as a going concern is dependent on the continued support of its shareholder. The shareholders have supported financially to the Group during the year by buying shares of the Group to enable it to meet its obligations as they fall due and to carry on its business without a significant curtailment of its operation. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

**Use of estimates and judgments**

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of Group's accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the consolidated financial statements.

**PB Fintech FZ - LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

**4 Application of new and revised International Financial Reporting Standards (IFRSs)**

**New and revised IFRSs applicable as on January 01, 2023**

The following new and revised IFRS became effective for annual periods beginning on or after 1 January 2023. The application of these revised IFRS has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

- Amendments to IAS 8 Accounting policies, Changes in accounting estimates and errors;
- Amendments to IAS 1 Presentation of financial statements and IFRS Practice Statement 2 relating to disclosure of material accounting policies; and
- Amendment to IAS 12 Income Taxes relating to deferred taxes related to assets and liabilities arising from a single transaction.
- IFRS 17 - Insurance Contracts

**New and revised IFRSs in issue but not yet effective**

The Group has not early adopted the following new and revised standards that have been issued but are not yet effective. The management is in the process of assessing the impact of the new requirements.

<b><u>New and revised IFRS</u></b>	<b><u>Effective for annual periods</u></b>
IFRS S1 - General Requirements for Disclosure of Sustainability-related Financial Information.	01 January, 2024
IFRS S2 - Climate Related Disclosures.	01 January, 2024
Amendments to IAS 1 Presentation of financial statements relating to classification of liabilities as current or non-current.	01 January, 2024
Amendments to IFRS 16 <i>Leases</i> relating to lease liability in a sale and leaseback transaction.	01 January, 2024
Amendments to IAS 21 <i>The Effects of Changes in Foreign Exchange Rates</i> relating to Lack of Exchangeability.	01 January, 2025
Amendment to IFRS 10 Consolidated financial statements and IAS 28 Investments in Associates and Joint Ventures relating to treatment of sale or contribution of assets from investors.	Effective date indefinitely

**PB Fintech FZ - LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

---

**New and revised IFRSs in issue but not yet effective** *(Continued)*

Management anticipates that these new standards, interpretations and amendments will be adopted in the Group's consolidated financial statements for the period of initial application and adoption of these new standards, interpretations and amendments may have no material impact on the consolidated financial statements of the entity in the period of initial application.

**5 Summary of significant accounting policies**

The accounting policies applied by the Group are consistent with the previous year:

**5.1 Current versus non-current classification**

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

**5.2 Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. Cost includes the purchase price and directly associated costs of bringing the asset to a working condition for its intended use. Maintenance and repairs, replacements and improvements of minor importance are expensed as incurred. In situations, where it is 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 property, plant and equipment beyond its originally assessed standard of performance, the expenditure is capitalised.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives. Depreciation is recognised in profit or loss.

**PB Fintech FZ - LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

---

**Summary of significant accounting policies (Continued)**

**Property, plant and equipment (Continued)**

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

<b>Assets</b>	<b>Years</b>
Furniture & fixtures	7
Office equipment	3
Lease hold improvements	3
Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.	

**5.3 Investments in subsidiary**

Investment in subsidiary represents the investment in entity over which the parent Group has the power to govern the financial and operating policies so as to obtain benefits from activities of subsidiary.

Investment in subsidiary is accounted under the cost method less identified impairment loss, if any.

The Group has made investment in YKNP Marketing Management LLC. The Group had also invested in Corporate Wakala Deposit during the year 2021, these are shown as non current investment as the same are for more than 12 months period. The accrued income is credited to Profit & loss account as per estimated returns on investment @ 2.5% p.a.

**5.4 Impairment of non-financial assets**

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell the value in use. for the purpose of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash - generating units). Prior impairments of non-financial assets are reviewed for possible reversal at each reporting date.

**5.5 Financial assets**

**Recognition, initial measurement and derecognition**

To determine their classification and measurement category, IFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics.



**PB Fintech FZ - LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

---

**Summary of significant accounting policies (Continued)**

**Financial assets (Continued)**

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objectives and in order to generate contractual cash flows. That is, whether the Group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'Sell' business model and measured at FVPL. The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios.

A financial asset is derecognized either when: the contractual rights to receive the cash flows from the financial asset have expired; or the Group has transferred its rights to receive cash flows from the financial asset and either (a) has transferred substantially all the risks and rewards of ownership of the financial asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the financial asset, but has transferred control of the financial asset. Where the Group has retained control, it shall continue to recognize the financial asset to the extent of its continuing involvement in the financial asset.

**Classification of financial assets**

Financial assets are classified in the consolidated financial statements into the following categories upon initial

- Financial assets at amortized cost

**Subsequent Measurement**

Financial assets at amortized cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

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

Financial assets measured at amortized cost are subsequently measured at amortized cost using the effective yield method adjusted for impairment losses if any. Gains and losses are recognized in statement of comprehensive income when the asset is derecognized, modified or impaired.

Financial assets carried at amortised cost consist of trade and other receivables (excluding Advance to suppliers and prepayments) and bank balances and cash.

**5.6 Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**PB Fintech FZ - LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

---

**Summary of significant accounting policies (Continued)**

**5.7 Trade and other receivables**

Trade receivables are amounts due from customers for merchandise sold in the ordinary course of business. They are generally due for settlement within less than a year and therefore are all classified as current. Trade and other receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financial components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Trade and other receivables are written off when there is no reasonable expectation of recovery.

Impairment losses on deposit and other receivables are presented as a separate line item in statement of comprehensive income. Subsequent recoveries of amounts previously written off are credited against the same line item.

**5.8 Bank balances and cash**

Bank balances and cash comprise cash in hand and at banks, and are subject to an insignificant risk of changes in value.

**5.9 Provision for employees' end of service benefit**

Provision for end of service benefits and other benefits is made in accordance with the requirements of the applicable law of the UAE. Employees are entitled to benefits based on minimum length of service and final basic salary. Employee end of service benefit is payable on termination or completion of the term of employment. The provision relating to end of service benefits is disclosed as a non-current liability.

Employees' entitlement to annual leave and leave passage as a result of services rendered by the employees up to the statement of financial position date. The provision relating to annual leave and leave passage is disclosed as a current liability and included in trade and other payables,

**5.10 Trade and other payables**

Trade payables are obligations to pay for goods or services that have been acquired in ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less ( or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**PB Fintech FZ - LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

---

**Summary of significant accounting policies (Continued)**

**5.11 Provisions**

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

**5.12 Leases**

*The Group as lessee*

The Group assesses whether a contract is or contains a lease at inception of a contract. The Group recognizes a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease, and payments for these leases are presented in cash flow from operating activities.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate specific to the country, term and currency of the contract. In addition, the Group considers its recent debt issuances as well as publicly available data for instruments with similar characteristics when calculating the incremental borrowing rates.

Lease payments include fixed payments, less any lease incentives, variable lease payments that depend on an index or a rate known at the commencement date, and purchase options or extension option payments if the Group is reasonably certain to exercise these options. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and right-of-use asset and are recognized as an expense in the income statement in the period in which the event or condition that triggers those payments occurs.

A lease liability is remeasured upon a change in the lease term, changes in an index or rate used to determine the lease payments or reassessment of exercise of a renewal and/or purchase option. The corresponding adjustment is made to the related right-of-use asset.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. The right-of-use assets are depreciated starting at the commencement date over the shorter period of useful life of the underlying asset and lease term.

**PB Fintech FZ - LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

---

**Summary of significant accounting policies (Continued)**

**Leases (Continued)**

*The Group as lessor*

Leases where the Group transfers substantially all the risks and rewards of ownership to the lessee are classified as finance leases. Leases of assets under which all the risks and rewards of ownership are substantially retained by the Group are classified as operating lease.

**5.13 Revenue recognition**

*Sale of services*

The Group recognises revenue from contract with customers based on a five step model as set out in IFRS 15 :

- 1 Identify the contract(s) with the customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- 2 Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer good or service to the customer.
- 3 Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- 4 Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
- 5 Recognise revenue when (or as ) the entity satisfies a performance obligation at a point in time or over time

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

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

**PB Fintech FZ - LLC and its Subsidiary  
Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

---

**Summary of significant accounting policies (Continued)**

**Revenue recognition (Continued)**

For performance obligation where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied. The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue.

The Group recognises revenue from web aggregator services when the amount of revenue can be reliably measured, it is probable that the economic benefits will flow to the Group and specific criteria have been met for the Group's services as described below.

**Revenue from services:**

Sales of insurance and financial leads

Timing of recognition: Revenue from these services is recognised in the accounting period at the point in which the services are rendered.

Revenue in excess of billing of web aggregator services is included as unbilled revenue within trade and other receivables.

**5.14 Foreign currency transactions**

Transactions in foreign currencies are translated to the functional currency ("AED") at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to AED at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary items in a foreign currency that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss.

**Common control transactions**

Transactions under the common control of the Shareholders are accounted for using the cost model under book value accounting whereby the assets and liabilities are recognised at their carry value. Any gain/ loss arising is recognised directly in equity.



**PB Fintech FZ -LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

	As at March 31, 2024 AED	As at March 31, 2023 AED
<b>7 Investments</b>		
Investment in non current deposit	3,670,000	5,520,000
Investment in YKNP Marketing Management LLC	6,679,871	7,613,267
	<u>10,349,871</u>	<u>13,133,267</u>
<i>(Investment in product name: Corporate Wakala Deposit for period of 24 months at anticipated profit rate of 2.5% p.a.)</i>		
<b>8 Cash and cash equivalents</b>		
Cash at banks - current accounts	6,286,374	1,201,304
	<u>6,286,374</u>	<u>1,201,304</u>
<b>9 Trade and other receivables</b>		
Trade receivables	12,418,952	6,046,489
Less: Net impairment losses on trade receivables	(165,469)	(165,469)
	<u>12,253,483</u>	<u>5,881,020</u>
Advance to employees	6,000	7,100
Accrued income from investment	-	180,723
Prepayments	89,345	61,852
Unbilled revenue	5,368,008	6,280,589
Deposits	62,992	97,992
Bank gurantee FD	-	250,000
Accrued income	148,747	155,414
Other advances	9,100	107,396
	<u>17,937,675</u>	<u>13,022,086</u>
<b>The ageing analysis of past due trade receivable is as follows:</b>		
<b>Past due but not impaired</b>		
Up to 3 months	11,645,874	5,514,776
3 to 6 months	422,741	240,501
More than 6 Months	350,337	303,548
Less: Provision for doubtful debts:	-	-
	<u>12,418,952</u>	<u>6,058,825</u>
No impairment during the year as at 31 March 2024. Movement in the provision for loss allowance was as follows.		
At April	165,469	34,245
Charge for the year	-	131,224
Written off during the year	-	-
At 31 March	<u>165,469</u>	<u>165,469</u>

**PB Fintech FZ -LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

		As at	As at
		March 31, 2024	March 31, 2023
		AED	AED
<b>10</b>	<b>Share Capital</b>		
	<b>Issued and paid up capital</b>		
	64,300 shares of AED 1,000	64,300,000	48,963,000
	(2023 : 48,963 shares of AED 1,000 each )	64,300,000	48,963,000
<p>The Group, during the year has increased its share capital from AED 48,963,000 to AED 64,300,000 by issuing additional 15,337 shares of AED 1,000 each as per resolution dated April 07,2023.</p>			
<b>11</b>	<b>Reserves &amp; Surplus</b>		
	<b>(a) Accumulated Losses</b>		
	Opening balance as April 01	(44,317,287)	(25,951,518)
	Net Loss during the year	(14,004,429)	(18,365,769)
	Transfer to statutory reserve	(12,821)	-
	Closing balance March 31	(58,334,537)	(44,317,287)
	<b>(b) ESOP Reserve</b>		
	Opening balance as April 01	7,866,135	3,347,586
	Applied during the year	2,988,706	4,518,549
	Closing balance March 31	10,854,841	7,866,135
	<b>(c) Securities Premium Account</b>		
	Opening balance as April 01	5,580,152	5,580,152
	Received during the year	2,453,920	-
	Closing balance March 31	8,034,072	5,580,152
	<b>(d) Statutory Reserve</b>		
	Opening balance as April 01	-	-
	Transfer during the year	12,821	-
	Closing balance March 31	12,821	-
	<b>Total</b>	<b>(a) + (b) + (c)</b>	
		(39,432,803)	(30,871,000)

**PB Fintech FZ -LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

**12 Provision for Employees' end of service benefits**

Opening balance April 01	132,197	77,094
Provision during the year	405,847	63,429
Paid during the year	(62,897)	(8,326)
Closing balance March 31	475,147	132,197

**13 Trade and other payables**

	As at March 31, 2024	As at March 31, 2023
	AED	AED
Trade payables	1,846,588	2,013,599
Advance from customer	-	24,880
Accrued Expenses	1,339,718	1,715,528
Provision for bonus	892,292	834,757
Employee payable	79,600	630,125
Statutory dues	936,579	360,710
Loans & Advances	18,925	10,254
Other payables	-	10,000
	5,113,702	5,599,853

**14 Related party transactions and balances**

Related parties include the Holding Company and its shareholder, key management personnel, directors, associates and businesses which are controlled directly or indirectly by the shareholders or directors or over which they exercise significant management influence (hereinafter referred to as “affiliates”). The amounts due to related parties result from the purchase of services in the ordinary course of business at mutually agreed terms and conditions.

*a Transactions with related parties*

The Group enters into transactions with related parties in the ordinary course of business. These transactions were carried out at prices and terms agreed between the related parties.

During the year, the Group entered into the following significant transactions with related parties.

	for the year ended March 31, 2024	for the year ended March 31, 2023
	AED	AED
1 <u>PB Fintech Limited [Erstwhile, PB Fintech Private Limited/ Etechaces Marketing and Consulting Private Limited] – Holding Group</u>		
Subscription of 15,337 [March 31, 2023 – NIL] equity shares of AED 1,000 each.	15,337,000	-
Securities premium on subscription of 2,453.92 [March 31, 2022 – NIL] equity shares of AED 1,000 each.	2,453,920	-
		-

**PB Fintech FZ -LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

**Related party transactions and balances (Continued)**

	for the year ended	for the year ended
	March 31, 2024	March 31, 2023
	AED	AED
2 <u>Icall Support Services Private Limited – Affiliate Group</u>		
Cost of sales - Outsourcing cost	13,365,312	9,161,220
3 <u>YKNP Marketing Management LLC - Affiliate Group</u>		
Revenue- Business services	1,289,332	96,384
Cost- Business service	819,303	69,410
Other expenses	82,751	-
4 <u>Compensation to key management personnel</u>		
Salary and other benefits	3,021,252	4,545,512
b <i>Due to related parties</i>		
Icall Support Services Private Limited ("affiliate")	3,918,152	4,168,677
YKNP Marketing Management LLC	687,028	-
PB Fintech Limited	1,148,537	-
	5,753,717	4,168,677
c <i>Due from related party</i>		
YKNP Marketing Management LLC	1,335,716	165,794
	1,335,716	165,794
Balances due from and to related party are interest free and payable on demand.		

	for the year ended	for the year ended
	March 31, 2024	March 31, 2023
	AED	AED
15 <b>Revenue</b>		
Sales of financial and insurance lead	38,478,493	21,995,702
	38,478,493	21,995,702

**PB Fintech FZ -LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

		<b>for the year ended</b>	<b>for the year ended</b>
		<b>March 31, 2024</b>	<b>March 31, 2023</b>
		<b>AED</b>	<b>AED</b>
<b>16</b>	<b>Cost of revenue</b>		
	Outsourcing cost	13,365,312	9,161,220
	Other direct cost	6,988,096	3,743,725
		<u>20,353,408</u>	<u>12,904,945</u>
<b>17</b>	<b>General and Administration expenses</b>		
	Audit fees	63,750	62,000
	Legal and professional fees	103,737	684,102
	Bad debts	-	131,224
	Bank charges	37,606	22,985
	Office expenses	12,605	74,533
	Food and Refreshment	26,742	16,861
	Rates, government fees and taxes	34,022	32,891
	Repairs and maintenance	8,197	20,544
	Rent	128,732	157,513
	Telephone and internet expenses	3,106,672	2,057,881
	Travelling and conveyance expenses	96,099	87,940
	Utilities	20,758	18,958
	Other expense	31,793	-
	Staff Costs (Note # 20 )	10,154,950	12,443,604
		<u>13,825,663</u>	<u>15,811,036</u>
<b>18</b>	<b>Selling &amp; Marketing Expenses</b>		
	Advertising, marketing & promotion	17,245,683	11,789,666
		<u>17,245,683</u>	<u>11,789,666</u>
<b>19</b>	<b>Other Income</b>		
	Interest on Investment	95,277	138,000
	Share of (Loss)/Profit from YKNP Marketing Management LLC	(933,396)	196,144
	Miscellaneous income	3,578	-
		<u>(834,541)</u>	<u>334,144</u>



**PB Fintech FZ -LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

		<b>for the year ended</b>	<b>for the year ended</b>
		<b>March 31, 2024</b>	<b>March 31, 2023</b>
		<b>AED</b>	<b>AED</b>
<b>20</b>	<b>Staff Costs</b>		
	Salaries and wages	4,919,499	5,011,587
	Bonus and other benefits	1,673,931	2,773,703
	Employee stock option expenses (Note # 23 (b))	2,988,706	4,518,550
	End of service benefits	414,892	63,428
	Recruitment, visa and other expenses	157,922	76,336
		<b>10,154,950</b>	<b>12,443,604</b>
		<b>As at,</b>	<b>As at,</b>
		<b>March 31, 2024</b>	<b>March 31, 2023</b>
		<b>AED</b>	<b>AED</b>
<b>21</b>	<b>Financial instruments</b>		
	Financial instruments by categories:		
	<b>Financial assets:</b>		
	Cash and cash equivalents	6,286,374	1,201,304
	Trade and other receivables	17,937,675	13,022,086
		<b>24,224,049</b>	<b>14,223,390</b>
	<b>Financial liabilities:</b>		
	Trade and other payables	5,113,702	5,599,853
		<b>5,113,702</b>	<b>5,599,853</b>

**22 Fair values of financial assets and liabilities**

The carrying values of all financial assets and liabilities reflected in consolidated financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date. Fair value is the amount for which an asset could be exchanged or a liability can be settled, between knowledgeable willing parties in an arm's length transaction.

**PB Fintech FZ -LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

**23 Share based payments**  
**(a) Employee option plan**

The Parent Company instituted the Employee Stock Option Plan(s) to grant equity based incentives to eligible employees of the Company and its subsidiaries. The Parent Company has three ESOP schemes, namely, Employee Stock Option Plan 2014 (“ESOP– 2014”), Employee Stock Option Plan 2020 (“ESOP – 2020”) and Employees Stock Option Plan – 2021 (“ESOP – 2021”). With an objective to implement the ESOP– 2014 and ESOP– 2020, the Parent Company has formed the Etechaces Employees Stock Option Plan Trust (the “ESOP Trust”) to hold or possess Equity Shares and subsequently allot or transfer them to employees in accordance with the terms of the ESOP Schemes, as applicable. ESOP – 2021 scheme is implemented and administered directly by the Parent Group.

The options granted till March 31, 2024 have minimum vesting period of 1 year and maximum 5 years from the date of grant (March 31, 2023: 1-5 years)

i) Summary of options granted under plan :

	March 31, 2024		March 31, 2023	
	Average exercise price per share option* (AED)	Number of options	Average exercise price per share option* (AED)	Number of options
Opening Balance	0.10	429,480	0.10	413,400
<i>After sub-division (November 30, 2020</i>				
Granted during the year	0.10	91,436	0.10	-
Exercised during the year**	0.10	(189,900)	0.10	(3,500)
Forfeited/lapsed during the year	0.10	(46,898)	0.10	-
Share transfer due to transfer of employee	0.10	1,020	0.10	19,580
Options outstanding pursuant to bonus issued	0.10	-	0.10	-
<i>Pursuant to the bonus issue (June 28, 2021 onwards):</i>				
Granted during the year	0.10	-	0.10	-
Exercised during the year**	0.10	-	0.10	-
Forfeited/lapsed during the year	0.10	-	0.10	-
Share transfer due to transfer of employee	0.10	-	0.10	-
<b>Closing Balance</b>		<b>285,138</b>		<b>429,480</b>
Vested and exercisable		-		94,180

**PB Fintech FZ -LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

**Share based payments (Continued)**

(ii) The impact of sub-division and bonus issue has been disclosed in the above table. The below table discloses the impact of such sub-division and bonus, if such sub-division and bonus were to be adjusted for all comparative year presented:

	March 31, 2024		March 31, 2023	
	Average exercise price per share option* (AED)	Number of options [Refer note (iii) and (iv)]		Average exercise price per share option (AED)
Opening Balance	0.10	429,480	0.10	413,400
Granted during the year	0.10	91,436	0.10	-
Exercised during the year**	0.10	(189,900)	0.10	(3,500)
Forfeited/lapsed during	0.10	(46,898)	0.10	-
Share transfer due to transfer of employee	0.10	1,020	0.10	19,580
<b>Closing Balance</b>		<b>285,138</b>		<b>429,480</b>
Vested and exercisable		-		94,180

(iii) Pursuant to the approval of the shareholders in an Extra Ordinary General Meeting of the Group held on November 24, 2020, each equity share of face value of Rs. 10/- per share was sub-divided into five equity shares of face value of Rs. 2/- per share with effect from the record date, i.e., November 30, 2020. Accordingly, each option of Rs. 10/- exercise price was sub-divided into 5 options of Rs. 2/- each. The disclosures below (including comparatives) have been adjusted to align with new exercise price/face value Rs 2/- each.

(iv) Pursuant to approval of the shareholders in an Extra Ordinary General Meeting of the Group held on June 19, 2021, the Group has issued bonus shares to equity shareholders in the ratio of 1:499 (record date - June 28, 2021). The disclosures below (including comparatives) have been adjusted taking effect of bonus shares.

\*The weighted average exercise price at the date of exercise of options exercised during the year ended March 31, 2024 was AED 0.10/- per share (Rs. 2/- per share)  
(March 31, 2023- AED 0.10/- per share (Rs. 2/- per share).

No options expired during the periods covered in the above tables.

(v) Share options outstanding at the end of year have following expiry date and exercise prices :

Grant	Grant date	Expiry Date	Share options March 31, 2024	Share options March 31, 2023
Grant 14	December 01, 2020	March 31, 2030	45,000	124,500
Grant 16	October 05, 2021	March 31, 2030	177,480	304,980
Grant 19	July 31, 2023	March 31, 2030	57,558	-
Grant 20	July 31, 2023	March 31, 2030	5,100	-
<b>Total</b>			<b>285,138</b>	<b>429,480</b>

Please Note : The Actual Exercise price is in Rs 2/- per share but for disclosure purpose in this financial statement it is shown in AED 0.10/- per share.

**PB Fintech FZ -LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

**Share based payments (Continued)**

**Weighted Average remaining contractual life of options  
outstanding at end of period**

**6.00 Years**

**7.01 Years**

(vi) Fair value of options granted :

Grant made during the year:

Grant 19 & 20 (Time based vesting) – AED 36.53 to AED 36.55 (₹ 730.51 to ₹ 730.92) (Year ended March 31, 2023 : Nil).

**(b) Expense arising from share based payment transaction**

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

	<b>for the year ended</b>	<b>for the year ended</b>
	<b>March 31, 2024</b>	<b>March 31, 2023</b>
	<b>AED</b>	<b>AED</b>
Employee option plan	<b>2,988,706</b>	4,518,550
<b>Total employee share based payment expense</b>	<b>2,988,706</b>	4,518,550

**24 Earnings per share (EPS)**

	<b>for the year ended</b>	<b>for the year ended</b>
	<b>March 31, 2024</b>	<b>March 31, 2023</b>
	<b>AED</b>	<b>AED</b>
Loss	<b>(14,004,429)</b>	(18,365,769)
Weighted average no. of shares*	<b>64,300</b>	48,963
Basic EPS	<b>(218)</b>	(375)

\*calculated by considering no. of shares outstanding during the period on weighted average basis

**25 Financial risk management**

The Group finances its operations through mix of equity and working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The Group's activities expose it to a variety of financial risks (credit risk, liquidity risk and market risk). The overall risk management is carried out by the finance department in line with policies approved by directors.

**25.1 Credit risk and concentration of credit risk**

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

The credit risk on liquid funds is limited because the Group bank accounts are placed with high credit quality financial institutions.

**PB Fintech FZ -LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

**Financial risk management (Continued)**

**Credit risk and concentration of credit risk (Continued)**

For trade receivables, credit quality of customers is assessed taking into consideration, their financial position and previous dealings and on that basis, individual credit limits are set. Moreover, the management regularly monitors and reviews clients credit exposure. trade and other receivables are stated net of allowance for doubtful recoveries.

Due to Group's long standing relations with counter parties and after giving due consideration to their financial standing, the management does not expect non performance by these counter parties on their obligations to the Group.

*Exposure to credit risk*

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	As at March 31, 2024 AED	As at March 31, 2023 AED
Trade and other receivables	17,937,675	13,022,086
Cash and cash equivalents	6,286,374	1,201,304
Due from related party	1,335,716	165,794
	<u>25,559,765</u>	<u>14,389,184</u>

**25.2 Liquidity risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to The Group's reputation.

The Group manages liquidity risk by matching the maturity profiles of financial assets and liabilities.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

**As at 31 March, 2024**

	Carrying amount AED	Contractual cash flows AED	1 year or less AED	1 year or More AED
<i>Non-derivative financial liabilities</i>				
Trade and other payables	5,113,702	5,113,702	5,113,702	-
Due to Related party	5,753,717	5,753,717	5,753,717	-
	<u>10,867,419</u>	<u>10,867,419</u>	<u>10,867,419</u>	<u>-</u>

**PB Fintech FZ -LLC and its Subsidiary  
Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

**Financial risk management (Continued)**

**Liquidity risk (Continued)**

**As at 31 March, 2023**

	Carrying amount	Contractual cash flows	1 year or less	1 year or More
	AED	AED	AED	AED
<i>Non-derivative financial liabilities</i>				
Trade and other payables	5,599,853	5,599,853	5,599,853	-
Due to Related party	4,168,677	4,168,677	4,168,677	-
	<u>9,768,530</u>	<u>9,768,530</u>	<u>9,768,530</u>	<u>-</u>

**25.3 Market risk**

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing returns.

**a) Interest rate risk**

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

As at the reporting date, Group is not exposed to any significant interest rate risk.

**b) Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. As at the reporting date, Group is not exposed to any currency risk.

**c) Equity price risk**

Trading and investing in equity securities give rise to equity price risk. As at the reporting date, Group is not exposed to any equity price risk.

**d) Management of Capital**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to provide the shareholders with a rate of return on their investments commensurate with the level of risk assumed.

The Group manages its capital risk by monitoring its debts levels and liquid assets and keeping in view future investment requirements. Debt comprises of total amounts owing to third parties, net of cash and cash equivalents. Total equity comprise of Shareholder's equity as shown in statement of financial position.

The Group is subject to imposed capital requirements as per provisions of Dubai Development Authority. The Group has complied with all the capital requirements to which it is subject.

**PB Fintech FZ -LLC and its Subsidiary**  
**Dubai - United Arab Emirates**

**Notes to the consolidated financial statements for the year ended March 31, 2024**

---

**26 Contingencies**

Contingent liabilities are not recognised in the statement of financial position, but are disclosed unless the possibility of an outflow of resources embodying economic benefit is remote.

Contingent asset are not recognised in the statement of financial position, but are disclosed when an inflow of economic benefits is probable.

**27 Comparative figures**

Certain comparative figures have been reclassified / regrouped, wherever necessary to conform to the presentation adopted in these consolidated financial statements.