POLICYBAZAAR MIDDLE EAST INSURANCE BROKERS L.L.C.
(Previously known as GENESIS INSURANCE BROKERS LLC)

SPECIAL PURPOSE FINANCIAL STATEMENTS

31 MARCH 2025

Special Purpose financial statements of Policy Bazaar Middle East Insurance Brokers L.L.C for the period ended 31 March 2025

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF POLICY BAZAAR MIDDLE EAST INSURANCE BROKERS L.L.C

Report on the audit of financial statements

Opinion
We have audited the accompanying financial statements of Policy Bazaar Middle East Insurance Brokers L.L.C (the "Company"), which comprise the special purpose statement of financial position as at 31 March 2025, the special purpose statement of profit or loss and other comprehensive income, special purpose statement of changes in equity and special purpose statement of cash flows for the period then ended, and a summary of material accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of the Company as at 31 March 2025, and its financial performance and its cash flows for the period then ended in accordance with management accounting policies as mentioned in note 2.

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the 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 Directors for the financial statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with management accounting policies, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters 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 Directors are responsible for overseeing the Company's financial reporting process.

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

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF POLICY BAZAAR MIDDLE EAST INSURANCE BROKERS L.L.C (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

Premier Brains Accounting & Auditing L.L.C

Signed by:
Rishi Aggarwal
Registered Auditor Number 5565

P.O.Box: 25402
DUBAI - U.A.E.
Premier Brains Accounting & Auditing

13 May 2025
Dubai, United Arab Emirates

SPECIAL PURPOSE STATEMENT OF PROFIT OR LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME

For the period ended 31 March 2025

	Notes	***17 May 2024 to 31 March 2025 AED***
Revenue	3	**72,362,015**
Cost of revenue		**(38,330,215)**
GROSS PROFIT FOR THE PERIOD		**34,031,800**
General and administrative expenses	4	**(1,598,189)**
Employee benefit expense	5	**(5,574,399)**
Advertising and promotion expense	6	**(22,083,356)**
Network, internet, and other expense	7	**(1,493,165)**
Other income		**58,897**
PROFIT BEFORE TAX FOR THE PERIOD		**3,341,588**
Corporate tax expense	8	**(261,986)**
PROFIT FOR THE PERIOD		**3,079,602**
Other comprehensive income		**-**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**3,079,602**

The attached notes 1 to 16 form part of these special purpose financial statements.

POLICYBAZAAR MIDDLE EAST INSURANCE BROKERS L.L.C.
(Previously known as GENESIS INSURANCE BROKERS L.L.C)

SPECIAL PURPOSE STATEMENT OF FINANCIAL POSITION
As at 31 March 2025

	Notes	*2025* *AED*
ASSETS		
Non-current assets		
Office and computer equipment	9	**374,794**
Other financial assets	11	**3,000,000**
Total non-current assets		**3,374,794**
Current Assets		
Accounts and other receivable	10	**9,773,690**
Cash and cash equivalents	11	**19,748,288**
Total current assets		**29,521,978**
Total assets		**32,896,772**
EQUITY AND LIABILITIES		
Equity		
Share capital		**3,000,000**
Statutory reserve	12	**875,249**
ESOP reserve	12	**799,599**
Shareholder fund	14	**460,000**
Retained earnings		**2,110,905**
Total equity		**7,245,753**
Non-current liability		
End of service benefits		**117,324**
Current liabilities		
Accounts and other payables	13	**5,018,199**
Duties and taxes	13	**688,959**
Due to related parties	14	**19,826,537**
Total current liabilities		**25,533,695**
Total liabilities		**25,651,019**
TOTAL EQUITY AND LIABILITIES		**32,896,772**

The financial statements are authorized for issue and are signed to that effect by:

General Manager
13 May 2025

The attached notes 1 to 16 form part of these special purpose financial statements.

SPECIAL PURPOSE STATEMENT OF CASH FLOW
For the period ended 31 March 2025

	17 May 2024 to 31 March 2025 AED
Cash flows from operating activities	
Loss for the period	**3,341,588**
Adjustments for:	
Depreciation on Property, plant and equipment	**91,024**
Provision for employees' end of service benefits	**102,341**
Employee stock option	**799,599**
	4,334,552
Working capital changes:	
Other financial assets	**(3,000,000)**
Accounts receivable	**(3,137,709)**
Advances, deposits and other receivables	**(679,678)**
Accounts and other payables	**(5,199,348)**
Duties and taxes	**688,959**
Due to related party	**9,073,580**
Net cash flows from operating activities	**2,080,354**
INVESTING ACTIVITY	
Purchase of property and equipment	**(310,759)**
Net cash used in investing activities	**(310,759)**
INCREASE IN CASH AND BANK BALANCES	**1,769,594**
Cash and cash equivalents, beginning of the period	**17,978,694**
CASH AND BANK BALANCES AT 31 MARCH	**19,748,288**

The attached notes 1 to 16 form part of these special purpose financial statements.

SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY
For the period ended 31 March 2025

	Share capital AED	*Statutory reserve AED*	*ESOP reserve AED*	*Retained earnings AED*	*Shareholder fund AED*	*Total AED*
As at 17 May 2024 (Acquisition date)	**3,000,000**	**687,824**	**-**	**(781,272)**	**460,000**	**3,366,552**
Profit for the period	**-**	**-**	**-**	**3,079,602**	**-**	**3,079,602**
Net movements	**-**	**187,425**	**799,599**	**(187,425)**	**-**	**799,599**
Balance as at 31 March 2025	**3,000,000**	**875,249**	**799,599**	**2,110,905**	**460,000**	**7,245,753**

The attached notes 1 to 16 form part of these special purpose financial statements.

1 CORPORATE INFORMATION

Policy Bazaar Middle East Insurance Brokers L.L.C ("the Company") was previously named as Genesis Insurance Brokers L.L.C. The name change granted approved by the Central Bank and Department of Economic Development, Dubai on 23 October 2024.

Policy Bazaar Middle East Insurance Brokers L.L.C ("the Company") a limited liability company incorporated in Dubai, United Arab Emirates (UAE) on 08 February 1994 under commercial license number 233354.

The registered office of the Company is Office No. 1304 and 1305, Al Shafar 1 Barsha Heights Al Thanyah First, P.O. Box: 453259, Dubai, United Arab Emirates.

The principal activities of the Company is insurance brokers.

Authorised, issued and paid-up capital of Entity is AED 3,000,000 divided into 3000 shares of AED 1,000 each fully paid.

The details of the shareholding as at reporting date are as follows:

	Number of shares	**% of Shareholding**	**Amount** ***AED***
Mr. Abdulaziz Essa Jan Ali Bin Ali Redha	1,530	51%	1,530,000
M/s Gensis Group Limited	1,470	49%	1,470,000
	3,000	100%	3,000,000

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

Basis of preparation

The special purpose special purpose financial statements have been prepared by management to comply with filling requirements of the Parent Company. As a result, the special purpose special purpose financial statements may not be suitable for any other purpose as these are not the statutory financial statement of the Company.

The special purpose special purpose financial statements are presented in United Arab Dirhams (AED), which is the functional and presentation currency of the Company.

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES

Revenue

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

For performance obligations 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 Company 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. as part of the impact assessment exercise, the Company has concluded that for majority of its arrangements, it is either creating or enhancing an asset controlled by the customer or it is creating an asset

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES

Revenue (continued)

with no alternative use and has an enforceable right to payment for work completed. Therefore, it meets the criteria to recognise revenue over the period of time and measure progress of its projects through the cost to complete method (input method) as it best depicts the transfer of control of products and services under each performance obligation.

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting a principal or agent. The Company has concluded that it is acting a principal in all its revenue arrangements.

A loss is recognised in the statement of comprehensive income when the expected contract costs exceed the total anticipated contract revenue.

The Company combines two or more contracts entered into at or near the same time with the same customer and accounts for the contracts as a single contract if one or more of the following criteria are met:

- The two or more contracts entered into at or near the same time with the same customer are negotiated as a package, with a single commercial objective;
- The amount of consideration to be paid in one contract depends on the price or performance of the other contract; or
- The goods or services promised in the contracts (or some goods or services promised in each of the contracts) are a single performance obligation.

If the above criteria are met, the arrangements are combined and accounted for a single arrangement for revenue recognition.

Pre-contract cost of obtaining a contract with a customer is recognised as an asset if those costs are expected to be recovered.

Revenue is recognized in the statement of comprehensive income to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and the revenue and costs, if applicable, can be measured reliably.

Value added tax (VAT)
Expenses and assets are recognised net of the amount of value added tax (VAT), except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Office and computer equipment
Furniture and office equipment are recorded at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on straight line basis over the estimated useful lives as follow:

Office equipment	3 years
Computer equipment	3 years

The carrying values of furniture and office equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less cost to sell & their value in use.

Expenditure incurred to replace a component of an item of furniture and office equipment that is accounted forly is capitalised and the carrying amount of the component that is replaced is written off. other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of furniture office equipment. all other expenditure is recognised in the statement of profit or loss and other comprehensive income as the expense is incurred.

An item of furniture and office equipment is derecognised upon disposal or when no future benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the statement of profit or loss and other comprehensive income in the year the asset is derecognised.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

Inventories
Inventories are valued at the lower of cost and net realisable value. Cost is determined on weighted average cost basis
and includes insurance, freight and related charges incurred in bringing inventories to their present location and condition, Net realisable value is based on estimated selling price less any further costs expected to be incurred on completion and disposal.

Financial instruments – initial recognition and subsequent measurement
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of accounts receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Accounts receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined. Refer to the accounting policy of Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Financial assets (continued)

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company's financial assets include bank balance, accounts receivables, deposits and other receivables.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost
The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- 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 amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through OCI
The Company does not hold any financial assets at fair value through OCI.

Financial assets at fair value through profit or loss (FVTPL)
The Company does not hold any financial assets at fair value through profit or loss.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised (i.e. removed from the Company's statement of financial position) when:

- ➢ The rights to receive cash flows from the asset have expired
- ➢ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) The Company has transferred substantially all the risks and rewards of the asset, or (b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Impairment of financial assets
The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Impairment of financial assets (continued)
ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For accounts receivables the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company’s financial liabilities include accounts payables, accruals and due to a related party.

Accounts payables and accruals
Liabilities are recognised for amounts to be paid in the future for goods of services received, whether billed by the supplier or not.

Subsequent measurement
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

Other financial liabilities are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

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

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Financial liabilities (continued)

derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Employees' end of service benefits
The Company provides end of service benefits to its employees. The entitlement to these benefits is usually based upon the employees' salary and length of service, subject to the completion of a minimum service year. The expected costs of these benefits are accrued over the year of employment.

Financial liabilities

Impairment of non-financial assets
Assets that have an indefinite useful life – for example, goodwill or intangible assets, not ready to use – are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation 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 costs to sell and value in use. For the purposes of assessing impairment, assets are Company at the lowest levels for which there arely identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Fair value of financial instruments
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or
b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Current versus non-current classification
The Company presents assets and liabilities in 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 normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting year, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting year, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year

Related parties
A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:
 (i) Has control or joint control over the Company;
 (ii) Has significant influence over the Company; or
 (iii) Is a member of the key management personnel of the Company or of a parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:
 (i) The entity and the Company are members of the same Company (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 (ii) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 (iii) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
 (iv) The entity is controlled or jointly controlled by a person identified in (a);

A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Use of estimates and judgements
The preparation of the financial statements requires management to make estimates and assumptions that may affect the reported amount of financial assets and liabilities, revenues, expenses, disclosure of contingent liabilities and the resultant provisions and fair values. Such estimates are necessarily based on assumptions about several factors and actual results may differ from reported amounts.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected. Information about significant areas of estimation, uncertainty, and critical judgements in applying accounting policies (that have the most significant effect on the amount recognised in the financial statements) are discussed in Note 19.

3 REVENUE FROM CONTRACT WITH CUSTOMERS

	17 May 2024 to 31 March 2025 AED
Commission earned	**72,362,015**

4 GENERAL AND ADMINISTRATIVE EXPENSES

	17 May 2024 to 31 March 2025 AED
Payment gateway fees	**470,412**
Legal and professional expenses	**470,808**
Rent expenses	**290,033**
Depreciation expense	**91,024**
Travelling expense	**129,701**
Other expense	**146,211**
	1,598,189

5 EMPLOYEE BENEFIT EXPENSE

	17 May 2024 to 31 March 2025 AED
Salary expense	**3,716,061**
Provision for end of service benefits	**108,511**
Employee stock option expense *(Note 12)*	**799,599**
Other staff benefits	**950,228**
	5,574,399

6 ADVERTISING AND PROMOTION EXPENSE

	2025 AED
Marketing expense	**20,143,629**
Intellectual property rights expense	**1,939,727**
	22,083,356

7 NETWORK, INTERNET, AND OTHER EXPENSE

	2025
	AED
Telephone and internet expense	**1,284,886**
Software and web hosting expense	**208,279**
	1,493,165

8 CORPORATE TAX EXPENSE

The major components of corporate tax expense for the period ended 31 March 2025 are:

Profit or loss

	2025
	AED
Current corporate tax:	
Current corporate tax charge	**261,986**
Deferred tax:	
Relating to origination and reversal of temporary differences	**-**
Corporate tax expense reported in the statement of profit or loss	**261,986**

9 OFFICE AND COMPUTER EQUIPMENT

	Office equipment	*Computer equipment*	*Total*
	AED	*AED*	*AED*
Cost:			
Acquisition date 17 May 2024	**110,400**	**60,100**	**170,500**
Additions during the period	**157,635**	**153,125**	**310,760**
As at 31 March 2025	**268,035**	**213,225**	**481,260**
Depreciation:			
Acquisition date 17 May 2024	**11,930**	**3,512**	**15,442**
Charge during the period	**61,779**	**29,245**	**91,024**
As at 31 March 2025	**73,709**	**32,757**	**106,466**
Net carrying amount			
As at 31 March 2025	**194,326**	**180,468**	**374,794**

10 ACCOUNT AND OTHER RECEIVABLES

	2025
	AED
Account receivables	**8,845,375**
Prepayments	**509,215**
Advances	**400,000**
Deposits	**19,100**
	9,773,690

11 CASH AND BANK BALANCES

	2025
	AED
Statutory deposit that cannot be withdrawn without the prior approval of the Ministry of Economy	**3,000,000**
Fixed term deposits maturing within three months	**8,000,000**
	11,000,000
Current accounts	**11,748,289**
	22,748,289
Less: Other financial assets	**(3,000,000)**
Cash and bank balances	**19,748,289**

12 RESERVES

Nature and purpose of reserves

- **STATUTORY RESERVE**

In accordance with the UAE Federal Law No. (32) of 2021, 5% of the profit for the year is required to be transferred to statutory reserve. The Company may resolve to discontinue such annual transfers when the reserve totals 50% of the issued share capital. Reserves for the period ended 31 March 2025 are 875,249. The reserve is not available for distribution except in the circumstances stipulated by the Law. No transfers have been made to the reserve in the current period as the reserve to be transferred at year end.

- **EMPLOYEE STOCK OPTION PLAN**

The parent Company constituted the Employee Stock Option Plan(s) to grant equity-based incentives to eligible employees of the Company and its subsidiaries. The Company has three ESOP schemes, namely, Employee Stock Option Plan 2014 (“ESOP – 2014”), the 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 Company has formed the Etechaces Employees Stock Option Plan (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 Company.

The options granted till March 31, 2025 have minimum vesting period of 1 year and maximum 5 years from the date of grant (March 31, 2024: 1-5 years).

(i) Summary of options granted under plan:

	31-Mar-25	
	Weighted average exercise price per share option	**Number of options [Refer to note (ii)]**
Opening balances	2	-
Granted during the year	2	-
Share transfer due to transfer of employee		210,149
Exercised during the year	2	(59,335)
Forfeited/lapsed during the year	2	-
Closing Balance		**150,814**

12 RESERVES (continued)

Vested and exercisable

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

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

Grant	Grant Date	Expiry Date	Exercise price [Refer to note (ii)]	Share options March 31, 2025
Grant 16	October 5, 2021	March 31, 2030	2	116,280
Grant 19	July 31, 2023	March 31, 2030	2	34,534
Total				**150,814**

Weighted average remaining contractual life of options outstanding at the end of the year	**5.01 Years**

(iv) Fair value of options granted:

Grant made during the year:

(b) Expense arising from share-based payment transaction

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

	Period ended March 31, 2025
Employee option plan *(Note 5)*	799,599
Total employee share-based compensation expense	**799,599**

13 ACCOUNTS AND OTHER PAYABLES

	2025 AED
Accounts payable	**3,718,810**
Expense and other payable	**1,299,390**
VAT payables	**426,973**
Corporate tax payables	**261,985**
	5,707,158
VAT Payables	**(426,973)**
Corporate tax payables	**(261,986)**
Accounts and other payables	**5,018,199**

14 RELATED PARTY TRANSACTION AND BALANCES

Related parties represent associated companies, major partner's and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management.

14 RELATED PARTY TRANSACTION AND BALANCES (continued)

Transaction with a related party included in the statement of profit or loss account and other comprehensive income:

	2025
	AED
PB Fintech FZ LLC	**33,319,729**
PM Fintech Limited	**801,121**

Balances with a related party included in the statement of financial position are as follows:

	2025
	AED
Shareholder's Account	**460,000**
PB Fintech FZ LLC	**19,826,537**
	20,286,537

The Company has a balance of AED 460,000 from its shareholders, representing funds introduced by the shareholder to support the Company's operational and working capital requirements. This amount is unsecured, interest-free, and repayable on demand.

15 FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of bank balance, accounts receivable, deposits, and other receivables

Financial liabilities consist of accounts payable, due to related parties, other payables and expense payables.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair values of financial instruments are not materially different from their carrying values largely due to the short-term maturities of these instruments.

16 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.
In the process of applying the Company's accounting policies, management has made certain judgements, estimates and assumptions. These judgements have a significant effect on the financial statements.

Estimates

Impairment of non-financial assets

The Company assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. The non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations is undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and chooses a suitable discount rate in order to calculate the present value of those cash flows.

16 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Management has critically assessed asset valuations and, in the current environment, are satisfied with the assumptions adopted and valuations reported. Management will continue to closely monitor the impact of this evolving situation to assess its impact to the Company, if any.