

**Independent Auditor's Report To the Board of Directors of Ramco Middle East
for Information Technology**

Report on the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of Ramco Middle East for Information Technology, Saudi Arabia, ('the company'), which comprises the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information (herein after referred to as 'Ind AS financial statements')

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at March 31, 2026 and its financial performance including other comprehensive income and its Cash Flows and the Changes in Equity for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the Ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with the requirements and the code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Responsibilities of Management's and those Charged with Governance for the Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, Cash Flows and changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with relevant rule issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation

**M.S. JAGANNATHAN &
N. KRISHNASWAMI**

Chartered Accountants

Srinivasan Krishnaswami
Managing Partner

of the Ind AS financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements:

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

Report on other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued there under.

For M S Jagannathan & N Krishnaswami

Chartered Accountants

Firm Registration No.: 001208S

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Srinivasan Krishnaswami

Partner

Membership No.: 021510

UDIN: 26021510FUUAHT7778

Chennai

14 May 2026

Ramco Middle East for Information Technology
Balance Sheet as at 31 March 2026

In SAR

Particulars	As at March 31, 2026	As at March 31, 2025
ASSETS		
Current Assets		
Financial assets		
Trade receivables	396,650	184,112
Cash and cash equivalents	4,594,955	1,945,306
Other current assets		
Prepaid expenses	30,229	97,508
Unbilled services revenue	224,085	-
Total current assets	5,245,919	2,226,926
Total assets	5,245,919	2,226,926
EQUITY AND LIABILITIES		
Equity		
Equity share capital	500,000	500,000
Other equity		
Retained earnings	323,384	(9,484)
Total equity	823,384	490,516
LIABILITIES		
Current liabilities		
Financial liabilities		
Trade payables to related parties	3,319,324	1,070,696
Trade payables-Others	160,594	70,630
Provision for customer contract obligations	267,976	28,884
Provision for taxation	64,200	16,788
Other current liabilities		
Statutory dues payable	216,010	212,778
Unearned revenue	394,431	336,634
Total current liabilities	4,422,535	1,736,410
Total liabilities	4,422,535	1,736,410
Total equity and liabilities	5,245,919	2,226,926

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

As per our report of even date attached.

For M S Jagannathan & N Krishnaswami
Chartered Accountants

Firm Registration Number: 001208S

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Srinivasan Krishnaswami

Partner

Membership No. 021510

UDIN: 26021510FUUAHT7778

Place: Chennai

Date : 14 May 2026

For and on behalf of the Board of Directors of
Ramco Middle East for Information Technology



Directors

Ramco Middle East for Information Technology
Statement of Profit and Loss for the Year Ended 31 March 2026

In SAR

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from operations-software products	1,733,291	486,525
Revenue from operations- software services	2,468,628	604,634
Total income	4,201,919	1,091,159
Expenses		
Royalty to related parties	86,665	35,768
Service fees to related parties	1,600,921	375,986
Employee benefits expense	364,659	324,360
Provision for Bad and Doubtful debts	918,401	61
Bank charges	2,933	952
Forex translation loss/(gain)	2,954	-
Rent & hosting charges	162,045	85,769
Advertisement & Sales Promotion	17,575	-
Consultancy and professional charges	228,976	55,769
Rates and taxes	91,834	48,532
Provisions for customer contract obligations	240,365	28,884
Travelling and conveyance	87,523	127,774
Total expenses	3,804,851	1,083,855
Profit / (loss) before tax	397,068	7,304
Tax expense		
Current tax	(64,200)	(16,788)
Profit / (loss) for the year	332,868	(9,484)
Other comprehensive income	-	-
Total comprehensive income	332,868	(9,484)

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

As per our report of even date attached.

For M S Jagannathan & N Krishnaswami
Chartered Accountants

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Partner
Membership No. 021510
UDIN: 26021510FUUAHT7778
Place: Chennai
Date : 14 May 2026

For and on behalf of the Board of Directors of
Ramco Middle East for Information Technology



Directors

Ramco Middle East for Information Technology
Statement of Changes in Equity as at 31 March 2026

In SAR

Particulars	Equity share capital	<u>Other equity</u>		Total equity attributable to equity holders of the Company
		Reserves and Surplus	Other comprehensive income	
		Retained earnings	Other items of other comprehensive income	
Changes in equity for the year ended March 31, 2025	500,000			500,000
Profit / (Loss) for the year 2024-25	--	(9,484)		– (9,484)
Balance as of March 31, 2025	500,000	(9,484)		– 490,516
Changes during the year	--	332,868		-- 332,868
Balance as of March 31, 2026	500,000	323,384		– 823,384

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

As per our report of even date attached.

For M S Jagannathan & N Krishnaswami
Chartered Accountants
Firm Registration Number: 001208S

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Srinivasan Krishnaswami
Partner
Membership No. 021510
UDIN: 26021510FUUAHT7778
Place: Chennai
Date : 14 May 2026

For and on behalf of the Board of Directors of
Ramco Middle East for Information Technology


Directors

Ramco Middle East for Information Technology
Statement of Cash Flow for the Year Ended 31 March 2026

Particulars	In SAR	
	Year ended March 31, 2026	Year ended March 31, 2025
Cash flow from operating activities :		
Profit / (loss) for the year	397,068	7,304
Adjustments for:		
Provisions for customer contract obligations	267,976	
Operating profit before working capital changes	665,044	
Changes in assets and liabilities		
(Increase)/Decrease in accounts receivable and prepayments	(350,816)	(281,620)
Increase/(Decrease) in accounts payable and accruals	150,993	1,736,410
Increase/(Decrease) in amounts due to related parties	2,248,628	-
Cash generated from operations	2713,849	1,462,094
Income tax paid/(Provided)	(64,200)	(16,788)
Net cash generated / (used) in Operating activities	-	-
Net cash generated / (used) in Investing activities	-	-
Share capital	-	500,000
Net cash generated / (used) in Financing activities	-	500,000
Net increase / (decrease) in cash and cash equivalents	2,649,649	1,945,306
Cash and cash equivalents at the beginning of the year	1,945,306	-
Cash and cash equivalents at the end of the year	4,594,955	1,945,306

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

As per our report of even date attached.

For M S Jagannathan & N Krishnaswami
Chartered Accountants

Firm Registration Number: 001208S

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Srinivasan Krishnaswami
Partner

Membership No. 021510

UDIN: 26021510FUUAHT7778

Place: Chennai

Date : 14 May 2026

For and on behalf of the Board of Directors of
Ramco Middle East for Information Technology



Directors

Ramco Middle East for Information Technology

Corporate information, significant accounting policies and notes to the financials

1. LEGAL STATUS

- 1.1 M/s. Ramco Middle East for Information Technology, Saudi Arabia ("the company") is a wholly owned subsidiary of M/s. Ramco Systems Limited, India. The company was incorporated on 1st April 2022.
- 1.2 The company is involved in the Information Technology industry and the principal activities are software support service provider, software developer, software consultancy, software solution provider and software customer service.
- 1.3 The principal place of business of the company is located at Hamad Tower, 4th Floor, King Fahd Branch Road, Al Olaya, Riyadh 12212, Kingdom of Saudi Arabia.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared under the Indian Accounting Standards Ind AS, as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

The following accounting policies have been consistently applied in dealing with items considered material to the company's financial statements:

2.1 Accounting Convention

These financial statements have been prepared under the historical cost convention.

2.2 Accrual Concept

Income and expenditure have been accounted on an accrual basis.

2.3 Accounts Receivables

Accounts receivables are recognized for amounts to be received in future for goods or services delivered. An impairment analysis is performed at each reporting date using a specific identification of defaulting customers and provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, accounts receivables are written off from books when they become bad, irrecoverable and are not subject to enforcement activity.

2.4 Accounts Payable and Accruals

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether or not billed to the company.

2.5 Foreign Currency Conversion

Balances in foreign currencies have been converted into SAR currency at the rate of exchange prevailing at the balance sheet date.

Transactions in foreign currencies are converted at rates ruling when the transaction is entered. Gains or losses resulting from foreign currency transactions are taken to the profit and loss account.

2.6 Revenue Recognition

The Company derives revenues from Software Solutions & Services. Revenues are derived from the following streams: Revenue from Software Products, in the form of (a) Software Licensing (b) Subscription for Software as a Service (c) Product Support Services and (d) Application Maintenance Services;

Revenue from Software Services, in the form of (a) Implementation/ Professional Services (b) Managed Services;

Revenue from Resale of Hardware & Software.

Revenue is measured based on the transaction price, which is the consideration, adjusted for finance components and volume discounts, service level credits, performance bonus, price concessions and incentives, if any, as specified in the contract with the customers.

Revenue is recognized in the profit and loss account upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services or products and excluding taxes or duties. To recognize revenues, the Company applies the following five step approach: (1) identify the contract

with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single performance obligation. The Company allocates the contract value to separately identifiable performance obligations based on their relative stand-alone selling price (mostly as reflected in the contracts) or residual method. Standalone selling prices are determined based on sale prices for the components when it is regularly sold separately. In cases where the Company is unable to determine the stand-alone selling price, the Company uses the expected cost-plus margin approach in estimating the stand-alone selling price.

For performance obligations where control is transferred over time, revenues are recognized by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the promised products or services to be provided.

The method for recognising revenues depends on the nature of the products sold / services rendered:

2.6.1 Revenue from Software Products

(a) Software Licensing

Software licensing revenues represent all fees earned from granting customers licenses to use the Company's software, through initial licensing and or through the purchase of additional modules or user rights. For software license arrangements that do not require significant modification or customisation of the underlying software, revenue is recognized on delivery of the software and when the customer obtains a right to use such licenses.

(b) Subscription for Software as a Service

Subscription fees for offering the hosted software as a service are recognized as revenue ratably on straight line basis, over the term of the subscription arrangement.

(c) Product Support Services

Fees for product support services, covering inter alia improvement and upgradation of the basic Software, whether sold separately (e.g., renewal period AMC) or as an element of a multiple-element arrangement, are recognized as revenue ratably on straight line basis, over the term of the support arrangement.

(d) Application Maintenance Services

Fees for the application maintenance services, covering inter alia the support of the customised software, are recognized as revenue ratably on straight line basis, over the term of the support arrangement.

2.6.2 Revenue from Software Services

(a) Implementation/ Professional Services

Software Implementation/ Professional Services contracts are either fixed price or time and material based.

Revenues from fixed price contracts, where the performance obligations are satisfied over time, are recognised using the "percentage of completion" method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. The performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Where the Software is required to be substantially customised as part of the implementation service, the entire fee for licensing and implementation services is considered to be a single performance obligation and the revenue is recognised using the percentage of completion method as the implementation services are performed.

Revenues from implementation services in respect of hosting contracts are to be recognized as revenue ratably over the longer of the contract term or the estimated expected life of the customer relationship. However, considering the existence of partners being available for rendering such implementation services, these services are considered to be a separate element and recognized in accordance with percentage of completion method.

When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates as a contract provision.

In the case of time and material contracts, revenue is recognised based on billable time spent in the project, priced at the contractual rate.

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively as a separate contract if the additional services are priced at the standalone selling price.

Non-refundable one-time upfront fees for enablement / application installation, consisting of standardization set-up, initiation or activation or user login creation services in the case of hosting contracts, are recognized in accordance with percentage of completion method once the customer obtains a right to access and use the Software.

(b) Managed Services

Fees for managed services, which include business processing services, are recognized as revenue as the related services are performed.

2.6.3 Revenue from Resale of Hardware & Software

Revenue from the sale of value-added hardware / software is recognised on transfer of significant risks, rewards and control to the customer.

Contract assets, liabilities and financing arrangements

A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets primarily relate to unbilled amounts on implementation / professional services contracts and are classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones (which we refer to as unbilled services revenue).

Unbilled revenues on software licensing are classified as a financial asset where the right to consideration is unconditional upon passage of time (which we refer to as unbilled licenses revenue).

A contract liability is an entity's obligation to transfer software products or software services to a customer for which the entity has received consideration (or the amount is due) from the customer (which we refer to as unearned revenue).

The Company assesses the timing of the transfer of software products or software services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Company does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

Value Added Tax (VAT)

Revenue, expenses and assets are recognized at amounts net of value added tax except:

- (a) Where VAT included on purchase of assets or services is not recoverable from the taxation authority, in which case the VAT is recognized as part of the cost of acquisition of the asset or part of the expense items, as applicable.
- (b) Where receivables and payables are stated with the amount of VAT included
- (c) Saudi Arabia has implemented VAT at a standard rate of 15%. It applies to most goods and services, with certain exemptions

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

2.7 Cost of Sale

Cost of sales includes purchases and other direct expenses.

2.8 Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement consist of cash, balances with banks, and deposits with banks with a maturity of three months or less from the date of deposit.

2.9 Impairment of Assets Financial Assets

At each balance sheet date, the company assesses if there is any objective evidence indicating impairment of financial assets or non-collectability of receivables.

For accounts receivables, the company applies the simplified approach, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Non-financial Assets

At each balance sheet date, the company assesses if there is any indication of impairment of non-financial assets. If an indication exists, the company estimates the recoverable amount of the asset and recognizes an impairment loss in the profit and loss account. The company also assesses if there is any indication that an impairment loss recognized in prior years no longer exists or has been reduced. The resultant impairment loss or reversals are recognized immediately in the profit and loss account.

3. Contingent liabilities

The company does not have any contingent liabilities at the end of the year.

4. Taxation:

The Company's financial year originally spans from January to December. In accordance with Saudi Arabian law, this period was adopted for taxation purposes for the year from 1 January 2024 to 31 December 2024.

The Articles of Association (AOA) were amended on 1 April 2026 to change the financial year from April to March. Accordingly, the existing guidelines continue to apply until March 2026. Hence, the tax return is required to be prepared for the extended period from January 2025 to March 2026 15 months, and income tax has been calculated on this basis.

This approach ensures compliance with local tax regulations and accurate financial reporting.

Ramco Middle East for Information Technology, Saudi Arabia				
Currency: SAR			Jan-24 to Dec-24	Jan-25 to Mar-26 (15 Months)
S. No.	Particulars	Currency	Amount	Amount
1	Revenue	SAR	486,525	4,806,552
2	Expense	SAR	402,585	4,486,120
	Profit before tax (1-2)		83,940	320,432
	Income tax-20% on profit due and payable		16,788	64,086 Rounded off to 64,200

5. TRANSACTIONS WITH RELATED PARTIES

The Company has in the ordinary course of business, entered into trading and financial transactions with "related parties" as contained in the Indian Accounting Standard No. 24. The terms of such transactions were approved by the management. The amounts due to related parties are unsecured, interest free and payable on demand (excluding loans which carries an interest).

TRANSACTIONS WITH RELATED PARTIES (continued)

a) <u>Transactions with Related Parties</u> :	<u>31.03.2026</u>
Royalty to related parties	86,665
Employee benefits expense	364,659
Service fees to related parties	1,600,921
Travelling and conveyance	136,566
Rent & hosting charges	113,696
Audit accountancy and Legal charges	-
Other fee & taxes	24,566
b) <u>Outstanding Balances with Related Parties</u>	
- M/s. Ramco Systems FZ-LLC, Dubai	777,691
M/s. Ramco Systems Corporation, United States of America	25,897
M/s. Ramco Systems Australia Pty.Ltd., Australia	10,396
M/s. Ramco Systems Limited, India	2,505,340
	<u>3,319,324</u>

6. ZAKAT

Zakat The Company is subject to Zakat in accordance with the regulations of the Zakat, Tax and Customs Authority ("ZATCA"). Zakat is provided in accordance with the Regulations of the ZATCA on accruals basis. The provision is charged to the statement of profit or loss and other comprehensive income. Additional amounts payable, if any, at the initialization of final assessments are accounted for in the period in which these are determined.

7. Comparative figures

Comparative figures have been regrouped/reclassified wherever necessary to confirm the current year's classification.