

Sensehawk MEA Limited

Financial Statements

For the year ended 31st December, 2022

Sensehawk MEA Limited
Balance Sheet as at 31st December, 2022
(All amounts in AED, unless otherwise stated)

	Notes	As at 31st December, 2022	As at 31st December, 2021
Assets			
Non-Current Assets			
(a) Property, Plant and Equipment	3	112,722	-
(b) Financial Assets			
(i) Other Financial Assets	4	19,250	-
(c) Deferred Tax Assets (net)	5	-	-
Total Non-Current Assets		131,972	-
Current Assets			
(a) Financial Assets			
(i) Trade Receivables	6	750,863	140,976
(ii) Cash and Cash Equivalents	7	42,534	225,359
(iii) Other Financial Assets	8	19,500	4,500
(b) Other Current Assets	9	625,375	17,778
Total Current Assets		1,438,272	388,613
Total Assets		1,570,244	388,613
Equity and Liabilities			
Equity			
(a) Share Capital	10	50,000	50,000
(b) Other Equity	11	(2,333,179)	(1,240,623)
Total Equity		(2,283,179)	(1,190,623)
Liabilities			
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	12	28,098	26,207
(b) Other Current Liabilities	13	3,825,325	1,553,029
Total Current Liabilities		3,853,423	1,579,236
Total Liabilities		3,853,423	1,579,236
Total Equity and Liabilities		1,570,244	388,613
Significant Accounting Policies	2.2		

The accompanying notes are an integral part of these financial statements

For and on behalf of the Board of Directors of
Sensehawk MEA Limited
Registration Number- MC 12470

Swarup Ramapriya Mavanoor
Director

Place: Abu Dhabi, UAE

Date: 14th June, 2023

Sensehawk MEA Limited

Statement of Profit and Loss for the year ended 31st December, 2022

(All amounts in AED, unless otherwise stated)

	Notes	Year Ended December 31, 2022	Year Ended December 31, 2021
Income:			
Revenue from Operations	14	1,239,858	688,037
Other Income	15	7,169,873	-
Total Income		8,409,731	688,037
Expenses:			
Cost of Sales	16	130,973	47,640
Employee Benefits Expense	17	8,577,181	1,737,860
Finance Costs	18	6,920	1,453
Depreciation and Amortisation Expense	19	17,781	-
Other Expenses	20	769,432	141,707
Total Expenses		9,502,287	1,928,660
(Loss) before Tax		(1,092,556)	(1,240,623)
Tax Expense			
(1) Current Tax	21	-	-
(2) Deferred Tax	21	-	-
Net tax expense		-	-
Loss after tax for the year		(1,092,556)	(1,240,623)
Other Comprehensive Income:			
Items that will not be reclassified to profit or loss	22	-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total Other Comprehensive income(Net of tax)		-	-
Total Comprehensive (Loss) for the Year		(1,092,556)	(1,240,623)
Loss per ordinary share [nominal value of share AED 1000 (For the Year Ended December 31, 2021: AED 1000)]			
Basic (AED)	23	(21,851.11)	(24,812.45)
Diluted (AED)	23	(21,851.11)	(24,812.45)

Significant Accounting Policies 2.2

The accompanying notes are an integral part of these financial statements

For and on behalf of the Board of Directors of
Sensehawk MEA Limited

Registration Number- MC 12470

Swarup Ramapriya Mavanoor

Director

Place: Abu Dhabi, UAE

Date: 14th June, 2023

Sensehawk MEA Limited
Statement of Changes in Equity (SOCIE) for the year ended 31st December, 2021
(All amounts in AED, unless otherwise stated)

(a) Equity share capital *

Equity shares of AED 1000 each, issued, subscribed and fully paid-up	Nos.	Amount
As at 01st January, 2021	-	-
Issued during the year	50	50,000
As at 31st December, 2021	50	50,000
Issued during the year	-	-
As at 31st December, 2022	50	50,000

(b) Other equity**

	Reserves and Surplus			Total other equity
	Capital Reserve	Securities premium	Retained earnings	
As at 01st January, 2021	-	-	-	-
Loss for the Year	-	-	(1,240,623)	(1,240,623)
As at 31st December, 2021	-	-	(1,240,623)	(1,240,623)
Loss for the Year	-	-	(1,092,556)	(1,092,556)
As at 31st December, 2022	-	-	(2,333,179)	(2,333,179)

The accompanying notes are an integral part of these financial statements

For and on behalf of the Board of Directors of
Sensehawk MEA Limited
 Registration Number- MC 12470

Swarup Ramapriya Mavanoor
 Director

Place: Abu Dhabi, UAE
 Date: 14th June, 2023

Sensehawk MEA Limited
Cash Flow Statement for the year ended 31st December, 2022
(All amounts in AED, unless otherwise stated)

	As at 31st December, 2022	As at 31st December, 2021
A. Cash flow from operating activities		
Net Profit/(Loss) as per statement of profit and loss	(1,092,556)	(1,240,623)
Adjustments:		
Depreciation and amortisation expense	17,781	-
Finance costs	6,920	1,453
Operating (loss) before working capital changes	(1,067,855)	(1,239,170)
Movement in working capital:		
Change in trade receivables	(609,888)	(140,976)
Change in other current assets	(607,597)	(17,778)
Change in other financial assets	(34,250)	(4,500)
Change in trade payables	1,892	26,207
Change in other current liabilities	2,272,296	1,553,029
Cash (used in) operations	(45,402)	176,812
Income tax received/(paid)	-	-
Net cash (used in) operating activities (A)	(45,402)	176,812
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets (including capital work in progress, capital advances and net of capital creditors and retention money)	(130,503)	-
Net cash (used in) investing activities (B)	(130,503)	-
C. Cash flow from financing activities		
Proceeds from issuance of equity share capital		50,000
Finance costs	(6,920)	(1,453)
Net cash from financing activities (C)	(6,920)	48,547
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(182,825)	225,359
Cash and cash equivalents at the beginning of the year	225,359	-
Cash and cash equivalents at the end of the year	42,534	225,359
Components of cash and cash equivalents for the purpose of cash flow statement		
Cash on hand	-	-
With banks - on current accounts	42,534	225,359
Total cash and cash equivalents (note 7)	42,534	225,359

The accompanying notes are an integral part of these financial statements

For and on behalf of the Board of Directors of
Sensehawk MEA Limited
Registration Number- MC 12470

Swarup Ramapriya Mavanoor
Director

Place: Abu Dhabi, UAE
Date: 14th June, 2023

Sensehawk MEA Limited

Notes to the Financial Statements for the year ended 31st December, 2022

(All amounts in AED, unless otherwise stated)

1 Corporate information

Sensehawk MEA Limited ('the Company') is domiciled in United Arab Emirates and was incorporated on December 09, 2020 as a limited liability company under the provisions of the Masdar Free Zone Companies Registration Regulations 2009. The Company's principal activity is to provide software services. The registered office of the Company is situated in Abu Dhabi in United Arab Emirates.

The company is a subsidiary of SenseHawk, Inc. During the current year, Reliance Industries Limited (RIL) acquired 79.3982% stake in Sensehawk ,Inc. w.e.f 21st October 2022, thereby making the Company a subsidiary of RIL.

2 Significant Accounting Policies

2.1 Statement of compliance

The Company prepares financial statements as per International Financial Reporting Standards (IFRS) as notified by International Accounting Standard Board.

2.2 Basis of preparation and presentation

The financial statements have been prepared on accrual basis under the historical cost convention basis except for certain financial assets and liabilities which are measured at fair value or amortised cost.

2.3 Summary of significant accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is treated as current when :

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Sensehawk MEA Limited**Notes to the Financial Statements for the year ended 31st December, 2022***(All amounts in AED, unless otherwise stated)*

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Property plant and equipment

Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation / amortisation and impairment loss, if any. Cost includes freight, duties, taxes (to the extent not recoverable from tax authorities) and expenses incidental to the acquisition/ construction and installation.

The Company provides depreciation on Property, Plant and Equipment on the straight-line method ('SLM'), pro-rata to the period of use based on the useful life of the assets as estimated by the management and is charged to the Statement of profit and loss.

Useful life of assets followed by the Company is summarized below:

Category of assets	Useful life
Computers and accessories	3 years
Office equipment	10 years

(c) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

(d) Leases

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

Sensehawk MEA Limited
Notes to the Financial Statements for the year ended 31st December, 2022
(All amounts in AED, unless otherwise stated)

(e) Financial Instruments

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

Financial assets

Initial recognition and measurement

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at Fair Value through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

Subsequent measurement

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

- i) Financial assets at amortised cost
- ii) Financial assets at fair value through other comprehensive income (FVTOCI)
- iii) Financial assets at fair value through profit or loss (FVTPL)

(i) Financial assets at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

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

A financial asset which is not classified in any of the above categories are measured at FVTPL.

For financial reporting purpose, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability either directly or indirectly; and

Level 3 inputs are unobservable inputs for the assets or liability.

Sensehawk MEA Limited**Notes to the Financial Statements for the year ended 31st December, 2022***(All amounts in AED, unless otherwise stated)***Impairment of financial assets**

The Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at Fair Value Through Profit and Loss (FVTPL). Expected Credit Losses are measured through a loss allowance at an amount equal to:

- (i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- (ii) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed. For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Financial liabilities**Initial recognition and measurement**

All financial liabilities are recognised initially at fair value. Fees of recurring nature are directly recognised in the statement of profit and loss as finance cost.

Subsequent measurement

Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

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 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 and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(f) Revenue recognition*Sale of Services*

Revenue from sale of services is recognised as and when the services are rendered.

Sensehawk MEA Limited**Notes to the Financial Statements for the year ended 31st December, 2022***(All amounts in AED, unless otherwise stated)****Contract Balances***

Trade receivables represents the Company's right to an amount of consideration that is unconditional. When a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised and disclosed as advances from customers. Contract liabilities are recognised as revenue when the Company performs under the contract.

Following are the revenue recognition principles for major streams of business:

(i) Revenue from Operations

Analytical services

Management and Advisory Services

(g) Foreign currency transactions and translation

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss of the year. Monetary assets and liabilities in foreign currency, which are outstanding as at the year end, are translated at the year-end closing exchange rate and the resultant exchange differences are recognized in the Statement of profit and loss.

(h) Employee benefits**Short term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and compensated absences.

(i) Tax Expense

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income or in equity.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted at the Balance sheet date. The company's profit, as adjusted for tax purposes is subject to tax as per the UAE tax laws.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

Sensehawk MEA Limited**Notes to the Financial Statements for the year ended 31st December, 2022***(All amounts in AED, unless otherwise stated)***(j) Earnings Per Share (EPS)**

The basic EPS is computed using the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders of the Company (after adjusting for interest on optionally fully convertible debentures, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(k) Provisions and contingent liabilities

Provisions are recognized when the Company has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

(l) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, which are subject to an insignificant risk of changes in value.

(m) Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

2.4 Critical Accounting Judgements And Key Sources Of Estimation Uncertainty

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, 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.

a) Depreciation/ amortisation and useful lives of property, plant and equipment:

Property, plant and equipment are depreciated over their estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is revised if there are significant changes from previous estimates.

Sensehawk MEA Limited

Notes to the Financial Statements for the year ended 31st December, 2022

(All amounts in AED, unless otherwise stated)

b) Recoverability of trade receivables:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

c) Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(d) Impairment of non- financial assets :

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable Company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

In assessing value in use, the estimated future cash flows covering generally a period of five years are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Estimated future cash flows involve judgement and estimates relating to revenue growth rates, net profit margin and perpetual growth rates. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used. Based on the impairment assessment as aforesaid, there is no impairment.

e) Impairment of financial assets

The impairment provisions for financial assets depending on their classification are based on assumptions about risk of default, expected cash loss rates, discounting rates applied to these forecasted future cash flows, revenue multiples, EBITDA multiples, recent transactions, independent valuer's report and reorganisation of businesses. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Sensehawk MEA Limited**Notes to the Financial Statements for the year ended 31st December, 2022**

(All amounts in AED, unless otherwise stated)

f) Fair Value Measurement:

For estimates relating to fair value of financial instruments refer note 27 of the financial statements.

g) Estimation uncertainty relating to the global health pandemic

The outbreak of corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In assessing the recoverability of Company's Financial Assets and Non-Financial Assets, the Company has considered internal and external information. The Company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there is no significant impact on its financial statements and the Company expects to recover the carrying amount of all its assets.

Sensehawk MEA Limited

Notes to the Financial Statements for the year ended 31st December, 2022

*(All amounts in AED, unless otherwise stated)***3 Property, Plant and Equipment**

Particulars	Gross block			Depreciation						
	As at 1st January 2022	Additions during the year	Disposals during the year	As at 31st December 2022	As at 1st January 2022	For the year	Deductions	As at 31st December 2022	As at 31st December 2022	As at 31st December 2021
Property, Plant and Equipment Tangible Assets										
Office										
Equipments	-	4,269	-	4,269	-	258	-	258	4,011	-
Computers	-	126,234	-	126,234	-	17,523	-	17,523	108,711	-
Subtotal	-	130,503	-	130,503	-	17,781	-	17,781	112,722	-
Previous Year				-				-	-	

Sensehawk MEA Limited
Notes to the Financial Statements for the year ended 31st December, 2022
(All amounts in AED, unless otherwise stated)

4 Other Financial Assets-Non Current	As at 31st December, 2022	As at 31st December, 2021
Security Deposits	19,250	-
Total	19,250	-

5 Deferred Tax Assets (Net)	As at 31st December, 2022	As at 31st December, 2021
Components of Deferred Tax		
Deferred Tax Assets	-	-
Deferred Tax Liabilities	-	-
Net Deferred Tax Assets	-	-

Deferred tax assets and liabilities at the end of the reporting period and deferred tax (charge) /credit in Statement of Profit and Loss is as follows.

Movement in deferred tax asset and liabilities	As at 31st December, 2021	Charges / (credit) to Statement of Profit and Loss	Other Comprehensive Income	As at 31st December, 2022
Deferred tax assets				
Provisions	-	-	-	-
Net operating loss carry forwards	-	-	-	-
Total Deferred Tax Asset:	-	-	-	-
Deferred Tax Liabilities				
Property, Plant and Equipment	-	-	-	-
Total Deferred Tax Liability	-	-	-	-
Net Balance	-	-	-	-

6 Trade Receivables (Unsecured and considered good)	As at 31st December, 2022	As at 31st December, 2021
* Trade Receivables	750,863	140,976
Total	750,863	140,976

* Trade receivables are non-interest bearing and are generally on terms of 30 days.

7 Cash and Cash Equivalents	As at 31st December, 2022	As at 31st December, 2021
Balance with banks	42,534	225,359
Total	42,534	225,359

8 Other Financial Assets-Current	As at 31st December, 2022	As at 31st December, 2021
Security Deposits	19,500	4,500
Total	19,500	4,500

9 Other Current Assets	As at 31st December, 2022	As at 31st December, 2021
Prepaid expenses	159,111	17,778
Advance to employees	435,976	-
Balances with government authorities	30,288	0
Total	625,375	17,778

Sensehawk MEA Limited

Notes to the Financial Statements for the year ended 31st December, 2022

(All amounts in AED, unless otherwise stated)

10 Share Capital

	As at 31st December, 2022	As at 31st December, 2021
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Issued, subscribed and fully paid-up shares (No.)

50 (December 31, 2021: 50) ordinary shares of AED 1000 each	50,000	50,000
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10.1 Rights, preferences and restrictions attached to shares:

(i) The Company has only one class of ordinary shares having a par value of AED 1000 per share. Each holder of equity shares is entitled to one vote per shares held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the ordinary shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Details of shares held by:

Particulars	As at 31st December, 2022		As at 31st December, 2021	
	Number of shares held	(In AED)	Number of shares held	(In AED)
SenseHawk, Inc. (100%)	50	50,000	50	50,000

(iii) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at 31st December, 2022		As at 31st December, 2021	
	Number of shares held	(In AED)	Number of shares held	(In AED)
Ordinary Shares	No. of shares	Amount	No. of shares	Amount
At the commencement of the period	50	50,000	-	-
Issued during the period	-	-	50	50,000
Outstanding at the end of the period	50	50,000	50	50,000

(iv) Details of shareholders holding more than 5% shares in the Company:

Name of the shareholder	As at 31st December, 2022		As at 31st December, 2021	
	Number of shares held	% Holding	Number of shares held	% Holding
SenseHawk, Inc. (Holding Company)	50	100%	50	100%

Sensehawk MEA Limited
Notes to the Financial Statements for the year ended 31st December, 2022
(All amounts in AED, unless otherwise stated)

11 Other Equity	As at 31st December, 2022	As at 31st December, 2021
Retained earnings		
As per last Balance Sheet	(1,240,623)	-
Add: Loss for the year	(1,092,556)	(1,240,623)
Total	(2,333,179)	(1,240,623)
12 Trade Payables	As at 31st December, 2022	As at 31st December, 2021
* Trade payables	28,098	26,207
Total	28,098	26,207
*Includes Trade payables to Related Parties (Refer Note 24)		
13 Other Current Liabilities	As at 31st December, 2022	As at 31st December, 2021
Payable to Employees	-	11,500
Accrued Expenses	-	316,030
Advance from customer (Refer Note 24)	3,825,325	1,225,499
Total	3,825,325	1,553,029
14 Revenue from Operations (net)	Year Ended December 31, 2022	Year Ended December 31, 2021
Sale of Services		
Management and Advisory Services	697,454	544,831
Analytics revenue	542,404	143,206
Total	1,239,858	688,037
15 Other Income	Year Ended December 31, 2022	Year Ended December 31, 2021
Other Non Operating Income	7,169,873	-
Total	7,169,873	-
16 Cost of Sales	Year Ended December 31, 2022	Year Ended December 31, 2021
Data Collection charges	130,973	47,640
Total	130,973	47,640

Sensehawk MEA Limited

Notes to the Financial Statements for the year ended 31st December, 2022

(All amounts in AED, unless otherwise stated)

17 Employee Benefits Expense	Year Ended December 31, 2022	Year Ended December 31, 2021
Salaries and wages	8,352,591	1,684,387
Insurance	224,590	53,473
Total	8,577,181	1,737,860
18 Finance Costs	Year Ended December 31, 2022	Year Ended December 31, 2021
Bank Charges	6,920	1,453
Total	6,920	1,453
19 Depreciation and Amortisation Expense	Year Ended December 31, 2022	Year Ended December 31, 2021
Depreciation on property, plant and equipment (Refer Note 3)	17,781	-
Total	17,781	-
20 Other Expenses	Year Ended December 31, 2022	Year Ended December 31, 2021
Legal and Professional fees	290,309	83,133
Travelling and Conveyance expenses	66,158	3,142
Office expense	37,794	1,481
Repairs and Maintenance	323	-
Rent	100,214	27,633
Telephone and Internet charges	94,677	-
Sales and Marketing expenses	132,696	11,380
Rates and Taxes	676	-
Printing and Stationery	-	217
Foreign exchange loss	27,587	6,403
Miscellaneous expenses	18,998	8,318
Total	769,432	141,707
21 Tax Expense (Net)	Year Ended December 31, 2022	Year Ended December 31, 2021
Income tax recognised in Statement of Profit or Loss		
(a) Current tax		
In respect of the current year	-	-
(Excess) tax of earlier years	-	-
Total income tax expenses recognised	-	-
(b) Deferred tax relates to the following:		
Deferred Tax Asset		
Net operating loss carry forwards	-	-
Deferred Tax Asset	-	-
Deferred Tax Liability		
* Net Deferred tax	-	-

Notes:

* No deferred tax asset has been recognised in the absence of reasonable certainty that sufficient future taxable income will be available in the foreseeable future against which such deferred tax can be utilized.

Sensehawk MEA Limited**Notes to the Financial Statements for the year ended 31st December, 2022***(All amounts in AED, unless otherwise stated)*

22 Other Comprehensive Income - Items that will not be reclassified to Statement of Profit and loss	Year Ended December 31, 2022	Year Ended December 31, 2021
Other Comprehensive Income	-	-
Total	-	-

23 Earnings/(Loss) per share (EPS)	Year Ended December 31, 2022	Year Ended December 31, 2021
The following reflects the basic and diluted EPS computations:		
Face Value per Ordinary Share (AED)	1,000	1,000
Basic Earnings per Share (AED)	(21,851)	(24,812)
Net Loss as per Statement of profit and loss	(1,092,556)	(1,240,623)
Weighted average number of equity shares used as denominator for calculating EPS	50	50
Face Value per Ordinary Share (AED)	1,000	1,000
Diluted Earnings per Share (AED)	(21,851)	(24,812)
Net Loss as per Statement of profit and loss	(1,092,556)	(1,240,623)
Weighted average number of equity shares used as denominator for calculating EPS	50	50

Sensehawk MEA Limited
Notes to the Financial Statements for the year ended 31st December, 2022
(All amounts in AED, unless otherwise stated)

24 Related party disclosures

(1) Names of related parties and related party relationship

Related parties where control exists

Ultimate Holding Company	Reliance Industries Limited , India
Holding Company	SenseHawk, Inc., USA
Fellow Subsidiary	Sensehawk India Private Limited, India
Key management personnel	Mr. Swarup Ramapriya Mavanoor (Director)

(2) Related party transactions

Details of transactions entered into with related parties along with balances as at year end are as given below:

A. Transactions during the year

	Year Ended December 31, 2022	Year Ended December 31, 2021
Sale of services - Management and advisory Fees		
SenseHawk, Inc., USA	697,454	544,831
	697,454	544,831
Other Expenses {Includes Exchange gain/(loss)}		
Sensehawk India Private Limited, India	104	16,541
	104	16,541
Other Expenses {Includes Exchange gain/(loss)}		
SenseHawk, Inc., USA	40,747	135,195
	40,747	135,195
Employee Benefit Expenses		
Swarup Ramapriya Mavanoor (Director)	776,000	734,000
Rahul Janardan Sankhe (KMP)	752,000	477,000
	1,528,000	1,211,000

B. Balances outstanding

	Year Ended December 31, 2022	Year Ended December 31, 2021
Trade Payables/Advance Received		
Sensehawk India Private Limited, India	16,645	16,541
SenseHawk, Inc., USA	3,825,325	1,225,499

Sensehawk MEA Limited
Notes to the Financial Statements for the year ended 31st December, 2022
(All amounts in AED, unless otherwise stated)

25 Financial Risk Management

A wide range of risks may affect the Company's business and financial results. Amongst other risks that could have significant influence on the Company are market risk, credit risk and liquidity risk.

(a) Market Risk:

The Company is primarily exposed to the following market risks.

(i) Foreign exchange exposure/ currency risk

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flow of an exposure will fluctuate because of changes in foreign currency rates. Exposure can arise on account of various assets and liabilities which are denominated in currencies other than functional currency.

The Company's foreign currency exposure not hedged by a derivative instrument or otherwise as at the year end is as follows:

Particulars	Foreign Currency Denomination	As at 31st December 2022		As at 31st December 2021	
		Foreign Currency	Equivalent (In AED)	Foreign Currency	Equivalent (In AED)
Trade Payables/ Advance Received	USD	1,041,557	3,825,325	333,660	1,225,499
Trade Payables/ Advance Received	INR	375,118	16,645	335,568	16,541

(b) Credit risk management:

Credit Risk is the risk that customers or counter party will not meet its obligations under a Financial instrument or customer contract, leading to Financial loss. The Company is Exposed to credit risk from its operating activities (Primarily trade receivables)

Customers credit risk is managed by each business team subject to the Company's established policy, procedures and control relating to customers credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customers receivables are regularly monitored.

An impairment analysis is performed at each reporting date for major customers. Receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company evaluates the concentration of risks with respect to receivables as low.

(b) Liquidity Risk:

The Company closely monitors its risks of shortage of funds. The Company assessed the concentration of risk with respect to its debt as low. As at reporting date, the company does not have any loan.

Sensehawk MEA Limited**Notes to the Financial Statements for the year ended 31st December, 2022***(All amounts in AED, unless otherwise stated)***26 Capital Management Risk:**

The Company's objectives when managing capital is to safeguard continuity as a going concern and provide adequate return to shareholders through continuing growth and maintain an optimal capital structure to reduce the cost of Capital.

The Company sets the amount of capital required on the basis of annual business plan and long-term operating plans. The Company monitors capital on basis of total debt to total equity on a periodic basis.

The following table summarizes the capital of the Company:

Gearing ratio:

	As at	As at
	31st December, 2022	31st December, 2021
The gearing ratio at the end of the period was as follows:		
Debt	-	-
Total equity	(2,283,179)	(1,190,623)
Net debt to equity ratio	0%	0%

Sensehawk MEA Limited

Notes to the Financial Statements for the year ended 31st December, 2022

*(All amounts in AED, unless otherwise stated)***27 Fair value measurement hierarchy**

The following table provides the fair value measurement hierarchy of financial assets and liabilities of the Company:

Particulars	As at 31st December 2022				As at 31st December 2021			
	Carrying Amount	Level of input used in			Carrying Amount	Level of input used in		
		Level-1	Level-2	Level-3		Level-1	Level-2	Level-3
Financial assets								
At Ammortised cost								
Trade Receivables	750,863	-	-	-	140,976	-	-	-
Cash and Bank Balances	42,534	-	-	-	225,359	-	-	-
Other Financial Assets- Non Current	19,250				-			
Other Financial Assets- Current	19,500	-	-	-	4,500	-	-	-
Total	832,147	-	-	-	370,836	-	-	-
Financial liabilities								
At Ammortised cost								
Trade payables	28,098	-	-	-	26,207	-	-	-
Total	28,098	-	-	-	26,207	-	-	-

28 Details of Loan given, investment made and guarantee given:

(a) No Loan given by the company to body corporate as at 31st December 2022

(b) No Investment made by the Company as at 31st December 2022

(c) No Guarantee has been given by the Company as at 31st December 2022

29 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

30 The financial statements were approved for issue by the board of directors on June 14, 2023.

**For and on behalf of the Board of Directors of
Sensehawk MEA Limited**

Registration Number- MC 12470

Swarup Ramapriya Mavanoor
Director

Place: Abu Dhabi, UAE

Date: 14th June, 2023