

Persistent Systems S.R.L. (Romania)**BALANCE SHEET AS AT MARCH 31, 2026**

	Notes	As at March 31, 2026 (In ₹'000)	As at March 31, 2025 (In ₹'000)
ASSETS			
Non-current assets			
Property, Plant and Equipment	5.1	1,127.29	1,741.73
Right-of-use asset	5.2	302.05	-
		1,429.34	1,741.73
Income tax assets		-	1,556.16
Deferred tax assets (net)	6	330.34	319.95
		1,759.68	3,617.84
Current assets			
- Trade receivables	7		
- Billed		32,987.26	42,386.06
- Unbilled		4,392.62	-
- Cash and cash equivalents	8	56,892.47	40,682.19
-Other current assets	9	23,077.05	12,017.25
		117,349.40	95,085.50
TOTAL		119,109.08	98,703.34
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	4	9,076.30	9,076.30
Other equity		66,866.40	44,481.85
		75,942.70	53,558.15
LIABILITIES			
Non-current liabilities			
Financial liabilities			
- Borrowings	10	-	19,230.75
- Lease Liabilities	12	-	-
		-	19,230.75
Current liabilities			
Financial liabilities			
- Trade payables	11	25,483.97	21,157.61
-Lease Liabilities	12	310.64	-
- Other current liabilities	13	3,964.81	3,464.46
-Borrowings	10	11,830.63	921.63
Current Liabilities: Provisions	14	334.17	370.74
Income tax liabilities		1,242.16	-
		43,166.38	25,914.44
TOTAL		119,109.08	98,703.34
Summary of material accounting policy information	3		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For JOSHI APTE & Co.
Firm registration no. 104370W
Chartered Accountants

For and on behalf of the Board of Directors of
Persistent Systems S.R.L. (Romania)

Tejashree Joshi
Partner
Membership No. 139807

Rajasekar Sukummar
Director

Arnaud Pierrel
Director

Place: India
Date :- April 18, 2026

Place: United Kingdom
Date :- April 18, 2026

Place: France
Date :- April 18, 2026

Persistent Systems S.R.L. (Romania)**STATEMENT OF PROFIT AND LOSS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2026**

	Notes	For the quarter ended		For the year ended	
		March 31, 2026 (In ₹'000)	March 31, 2025 (In ₹'000)	March 31, 2026 (In ₹'000)	March 31, 2025 (In ₹'000)
Income					
Revenue from operations	15	44,859.62	49,953.10	173,074.65	212,043.78
Other income	16	(1,075.95)	15.26	943.90	75.49
Total income (A)		43,783.67	49,968.36	174,018.55	212,119.27
Expenses					
Employee benefits expense	17.1	5,940.87	8,456.48	27,186.33	67,015.27
Subcontracting costs	17.2	33,758.16	30,043.16	120,328.33	114,002.45
Finance costs	18	21.05	410.20	1,057.91	2,384.09
Depreciation and amortization expense	5.3	330.99	212.34	1,270.61	857.90
Other expenses	19	1,022.92	3,739.06	6,787.26	13,636.94
Total expenses (B)		41,073.99	42,861.24	156,630.44	197,896.65
Profit/(loss) before tax (A - B)		2,709.68	7,107.12	17,388.11	14,222.62
Tax expense					
Current tax		465.88	940.22	2,806.89	1,917.56
Tax credit in respect of earlier years		0.00	(284.11)	799.87	(284.11)
Deferred tax charge / (credit)		(39.28)	235.05	35.80	(322.37)
Total tax expense		426.60	891.16	3,642.56	1,311.08
Net profit/(loss) for the quarter / year (C)		2,283.08	6,215.96	13,745.55	12,911.54
Other comprehensive income					
Items that may be reclassified to profit or loss (E)					
- Exchange differences in translating the financial statements of foreign operations		1,113.47	1,896.40	8,639.00	1,248.80
		1,113.47	1,896.40	8,639.00	1,248.80
Total comprehensive income for the quarter / year (C) + (D) + (E)		3,396.55	8,112.36	22,384.55	14,160.34
Earnings per equity share					
Basic (In ₹)	20	41.89	114.05	68,727.75	114.05
Diluted (In ₹)		41.89	114.05	68,727.75	114.05
Summary of material accounting policy information					
The accompanying notes are an integral part of the financial statements					
As per our report of even date					

For JOSHI APTE & Co.
Firm registration no. 104370W
Chartered Accountants

For and on behalf of the Board of Directors of
Persistent Systems S.R.L. (Romania)

Tejashree Joshi
Partner
Membership No. 139807

Rajasekar Sukummar Arnaud Pierrel
Director Director

Place: India
Date :- April 18, 2026

Place: United Kingdom Place: France
Date :- April 18, 2026 Date :- April 18, 2026

Persistent Systems S.R.L. (Romania)**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026**

	For the year ended	
	March 31, 2026 (In ₹'000)	March 31, 2025 (In ₹'000)
Cash flow from operating activities		
Profit / (loss) before tax	17,388.11	14,222.62
Depreciation and amortization expense	1,270.61	857.90
Unrealised exchange (gain)/ loss (net)	11,878.57	4,098.53
Miscellaneous income	-	(75.49)
Finance cost	1,057.91	2,384.09
Operating profit before working capital changes	31,595.20	21,487.65
Movements in working capital :		
(Increase)/Decrease in trade receivables	4,486.73	34,741.52
(Increase)/ Decrease in other current assets (including financial assets)	(11,059.80)	772.04
Increase/(Decrease) in trade payables and current liabilities	4,067.53	(2,467.09)
Increase/(Decrease) in provisions	(36.57)	(1,859.05)
Operating profit after working capital changes	29,053.09	52,675.07
Direct taxes paid (net of refunds)	(973.84)	(7,019.97)
Net cash generated from operating activities (A)	28,079.25	45,655.10
Cash flows from investing activities		
Payment towards capital expenditure	(149.69)	(22.36)
Proceeds from sale of property, plant and equipment	-	-
Net cash (used in) investing activities (B)	(149.69)	(22.36)
Cash flows from financing activities		
Inter corporate deposits paid	(9,461.81)	(15,118.25)
Payment towards lease liability	(306.65)	-
Interest paid	(1,950.82)	(1,641.97)
Net cash (used in) financing activities (C)	(11,719.28)	(16,760.22)
Net (Decrease)/ increase in cash and cash equivalents (A + B+C)	16,210.28	28,872.52
Cash and cash equivalents at the beginning of the period / year	40,682.19	11,809.67
Cash and cash equivalents at the end of the period/year	56,892.47	40,682.19

Components of cash and cash equivalents

	As at	As at
	March 31, 2026 (In ₹'000)	March 31, 2025 (In ₹'000)
On current accounts	56,892.47	40,682.19
Cash on hand	-	-
Balances with banks	-	-
Cash and cash equivalents as per note 8	56,892.47	40,682.19

Summary of material accounting policy information - Refer note 3

The accompanying notes are an integral part of the financial statements

As per our report of even date

For JOSH I APTE & CO.
ICAI Firm registration no. 104370W
Chartered Accountants

For and on behalf of the Board of Directors of
Persistent Systems S.R.L. (Romania)

Tejashree Joshi
Partner
Membership No. 139807

Rajasekar Sukummar
Director

Arnaud Pierrel
Director

Place: India
Date :- April 18, 2026

Place: United Kingdom
Date :- April 18, 2026

Place: France
Date :- April 18, 2026

Persistent Systems S.R.L. (Romania)**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026****4. Equity share capital****(In ₹'000)**

Balance as at April 1, 2025	Changes in Equity Share Capital due to prior period errors	Changes in equity share capital during the year	Balance as at March 31, 2026
9,076.30	-	-	9,076.30

Balance as at April 1, 2024	Changes in Equity Share Capital due to prior period errors	Changes in equity share capital during the year	Balance as at March 31,2025
9,076.30	-	-	9,076.30

Persistent Systems S.R.L. (Romania)**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026****B. Other equity**

(In ₹'000)

Particulars	Reserves and surplus		Items of other comprehensive income	Total
	General Reserve	Retained earnings	Foreign currency translation reserve	
Balance as at April 1, 2025	-	42,508.99	1,972.86	44,481.85
Net Profit/(Loss) for the year	-	13,745.55	-	13,745.55
Transfer of balance from retained earnings to general reserve	1,986.81	(1,986.81)	-	-
Other Comprehensive income for the year	-	-	8,639.00	8,639.00
Balance at March 31, 2026	1,986.81	54,267.73	10,611.86	66,866.40

(In ₹'000)

Particulars	Reserves and surplus		Items of other comprehensive income	Total
	Capital Reserve	Retained earnings	Foreign currency translation reserve	
Balance as at April 1, 2024	-	29,597.45	724.06	30,321.51
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance as at April 1, 2024	-	29,597.45	724.06	30,321.51
Dividend	-	-	-	-
Net Profit/(Loss) for the period	-	12,911.54	-	12,911.54
Other Comprehensive income for the period	-	-	1,248.80	1,248.80
Balance at March 31, 2025	-	42,508.99	1,972.86	44,481.85

Nature and purpose of reserves**a) Foreign currency translation reserve**

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income and is presented under equity in the foreign currency translation reserve.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For JOSHI APTE & CO.
ICAI Firm registration no. 104370W
Chartered Accountants

For and on behalf of the Board of Directors of
Persistent Systems S.R.L. (Romania)

Tejashree Joshi
Partner
Membership No. 139807

Rajasekar Sukummar
Director

Arnaud Pierrel
Director

Place: India
Date :- April 18, 2026

Place: United Kingdom
Date :- April 18, 2026

Place: France
Date :- April 18, 2026

1 Nature of operations

Persistent Systems S.R.L. ("the Company" (a Romania based wholly owned subsidiary of Aepona Group Limited.is engaged providing software services projects. The company was incorporated on June 16, 2022

2 Basis of preparation

The financial statements of the Company have been prepared on an accrual basis and under the historical cost convention. Historical cost is generally based on the fair value of consideration given in exchange of goods and services. The accounting policies are consistently applied by the Company during the year and are consistent with those used in previous year except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use

Items	Basis of Measurement
Derivative financial instruments	Fair Value
Non-derivative financial instruments at FVTPL	Fair Value
Debt and equity securities at FVOCI	Fair Value
Contingent consideration assumed in a business combination	Fair Value
Net defined benefit (asset) / liability	Fair value of plan assets less the present value of the defined benefit obligation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2016. These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 for the year ended March 31, 2026. The financial statements are presented in ₹ Thousand.

The accompanying financial statements have been prepared solely to assist the management of Persistent Systems Limited in preparation of its consolidated financial statements for the year ended 31 March 2026.

3 Material accounting policy information

A Accounting year

The accounting year of the company is from April 1 to March 31.

B Functional currency

Functional currency The functional currency is the LEU To facilitate consolidation in holding company, these financial statements are presented in INR, which is the presentation currency. The results and balances are translated from functional currency to presentation currency using the following procedure:

- i. All assets and liabilities are translated at the closing rate as at the date of the balance sheet;
- ii. All Income and Expense items are converted at a weighted average of Inter Bank Selling Rate for the period/year;
- iii. The equity share capital is translated on the date of transaction;
- iv. The exchange difference arising out of the period-end conversion is transferred to Currency Translation Reserve are recognized in other comprehensive income and the said amount is shown under the head "Other Equity"

3.1 Use of estimates and judgements

- a) The preparation of the financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent assets and liabilities at the end of reporting period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of accounting assumptions in these financial statements have been disclosed appropriately. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as per management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material their effects are disclosed in the notes to the financial statements.

3.2 Critical accounting estimates

i. Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Further, the Company uses significant judgement while determining the transaction price allocated to performance obligations using the expected cost plus margin approach.

In respect of the contracts where the transaction price is payable as royalty at pre-defined percentage of customer revenue and bearing in mind, the time gap between the close of the accounting period and availability of the revenue report from the customer, the Company is required to use its judgement to ascertain the income from royalty on the basis of historical trends of customer revenue.

ii. Income taxes

A deferred tax is recognised to the extent that it is probable that future taxable profits are available against which deductible temporary differences and tax losses be utilised. The management evaluates if the deferred tax assets will be realised in future considering the historical taxable income, scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies. While the Management believes that the Company will realise the deferred tax assets, the amount of deferred tax asset realisable could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

iii. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

iv. Provisions and Contingent liabilities

Provisions are determined based on the best estimate required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates. The company uses significant judgements to assess contingent liabilities.

3.3 Summary of Significant accounting Policies

a) Current vs Non current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013 (the "Act"). Operating cycle is the time between the acquisition of resources / assets for processing and their realisation in cash and cash equivalents. Based on the nature of products/ services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months.

b) Property, plant and equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment losses, if any. The cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Capital work-in-progress includes cost of Property, Plant and Equipment that are not ready to be put to use.

Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it is probable that future economic benefits associated with the item will flow to the Company. All other expenses on existing Property, Plant and Equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

Gains or losses arising from disposal of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed. □

c) Intangible assets

a) Acquired intangible assets

Intangible assets including software licenses of enduring nature and contractual rights acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

b) Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when The Company can demonstrate:

- technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the asset and use or sell it;
- its ability to use or sell the asset;
- how the asset will generate probable future economic benefits;
- the availability of adequate resources to complete the development and to use or sell the asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during development.

Such development expenditure, until capitalization, is reflected as intangible assets under development.

Following the initial recognition, internally generated intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Amortization of internally generated intangible asset begins when the development is complete and the asset is available for use.

d) Depreciation and amortization

Depreciation on Property, plant and equipment is provided using the Straight Line Method ('SLM') over the useful lives of the assets estimated by the management.

The management estimates the useful lives for the Property, plant and equipment as follows:

Assets	Useful life
Computers *	4 years
Computers-Servers and networks*	4 years
Office equipment	5 years
Plant and equipment	5 years
Furniture and fixtures	5 years

*For these classes of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which the management expects to use these assets. Hence the useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Individual assets whose cost does not exceed ₹ 5,000 are fully depreciated in the year of acquisition.

Intangible assets are amortized on a straight line basis over their estimated useful lives commencing from the day the asset is made available for use.

e) Impairment of Property, Plant and Equipment and other intangible assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors

Recoverable amount of intangible under development that is not yet available for use is estimated at least at each financial year end even if there is no indication that the asset is impaired.

An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less costs to sell and its value in use. 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 risks specific to the asset.

f) Financial instruments

i) Financial assets

Initial recognition and measurement□

Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

For the purpose of subsequent measurement, financial assets are classified as:

- Financial assets at amortized cost

Financial assets that are held within a business model whose objective is to hold assets for collecting contractual cash flows and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at amortized cost using the effective interest rate method. The change in measurements are recognized as finance income in the statement of profit and loss.

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

Financial assets that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets and the assets' contractual cash flows represent solely payments of principal and interest on the principal amount outstanding are subsequently measured at fair value. Fair value movements are recognized in other comprehensive income.

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

Any financial asset which does not meet the criteria for categorization as financial instruments at amortized cost or as FVTOCI, is classified as financial instrument at FVTPL. Financial instruments included within the FVTPL category are subsequently measured at fair value with all changes recognized in the statement of profit and loss.

ii) Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

For the purpose of subsequent measurement, financial liabilities are classified as:

-Financial liabilities at amortized cost

Financial liabilities such as loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. The change in measurements are recognized as finance costs in the statement of profit and loss

-Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss if the recognition criteria as per Ind AS 109 – “Financial Instruments” are satisfied. Gains or losses on liabilities held for trading are recognized in statement of profit and loss. Fair value gains or losses on liabilities designated as FVTPL attributable to changes in own credit risk are recognized in other comprehensive income. All other changes in fair value of liabilities designated as FVTPL are recognized in the statement of profit and loss. The Company has not designated any financial liability as at FVTPL.

iii) Impairment

i) Financial assets

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets measured at amortized cost and financial assets that are debts instruments and are measured at fair value through other comprehensive income (FVTOCI). ECL is the difference between contractual cash flows that are due and the cash flows that the Company expects to receive, discounted at the original effective interest rate.

For trade receivables, the Company recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used

ii) Non-financial assets

The carrying amounts of Property, Plant and Equipment and Goodwill are reviewed at each balance sheet date or whenever there is any indication of impairment based on internal/external factors. If any indications exist, the Company estimates the asset's recoverable amount unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Recoverable amount of intangible under development that is not yet available for use is estimated at least at each financial year end even if there is no indication that the asset is impaired.

An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value and its value in use. 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 risks specific to the asset.

g) Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangements of borrowings. Borrowing costs directly attributable to the acquisition, construction or development of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as a part of the cost of the respective asset. All other borrowing costs are expensed in the year in which they occur.

h) Leases

The Company assesses at the inception of contract whether a contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset

Where the Company is a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The lease payments shall include fixed payments, variable lease payments based on an index or rate, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or statement of profit and loss if the right-of-use asset is already reduced to zero

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease expenses associated with these leases are recognized in the statement of profit and loss on a straight line basis.

Company as a lessor

At the inception of the lease, the Company classifies each of its leases as either an operating lease or a finance lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. The Company recognises lease payments received under operating leases as income over the lease term on a straight line basis

i) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts and volume rebates allowed by the Company. Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

The following specific recognition criteria must also be met before revenue is recognized:

i. Income from software licenses and services

The company derives revenues primarily from IT services comprising of software development and related services and from the licensing of software products.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to receive in exchange for those products or services.

Arrangements with customers for software related services are either on a time-and-material or a fixed-price basis.

Revenue on time-and-material contracts are recognized as and when the related services are performed. Revenue from fixed-price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.

The company has applied the principles under Ind AS 115 to account for revenues from these performance obligations.

When support services are provided in conjunction with the licensing arrangement and the license and the support services have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. Maintenance revenue is recognized proportionately over the period in which the services are rendered.

Revenue from royalty is recognized in accordance with the terms of the relevant agreements.

The company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the proportionate allocation of the discounts amount to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount. Also, when the level of discount varies with increases in levels of revenue transactions, the Company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Unbilled revenue represents revenue recognized in relation to work done until the balance sheet date for which billing has not taken place.

Unearned revenue represents the billing in respect of contracts for which the revenue is not recognized.

The Company collects Goods and Service Tax, value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

ii. Interest

Interest income is recognized on a time proportion basis taking into account the carrying amount and the effective interest rate. Interest income is included under the head 'Other income' in the statement of profit and loss.

iii. Dividends

Dividend Income is recognized when the company's right to receive payment is established by the balance sheet date. Dividend income is included under the head 'Other Income' in the statement of profit and loss.

(i) Foreign currency transactions and balances

Initial recognition

Foreign currency transactions are recorded in the functional currency of the Company, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates at the date when the values were determined.

Exchange differences

Exchange differences arising on conversion / settlement of foreign currency monetary items and on foreign currency liabilities relating to Property, Plant and Equipment acquisition are recognized as income or expenses in the year in which they arise.

Forward exchange contracts not intended for trading or speculation purposes, classified as derivative financial instruments

As per the accounting principles laid down in Ind AS 109 – "Financial Instruments" relating to cash flow hedges, derivative financial instruments which qualify for cash flow hedge accounting are fair valued at balance sheet date and the effective portion of the resultant loss / (gain) is debited / (credited) to the hedge reserve under other comprehensive income and the ineffective portion is recognized to the statement of profit and loss. Derivative financial instruments are carried as forward contract receivable when the fair value is positive and as forward contract payable when the fair value is negative

Changes in the fair value of derivative instruments that do not qualify for hedge accounting are recognized in the statement of profit and loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, or terminated, or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss on the hedging instrument recognized in hedge reserve under other comprehensive income is transferred to the statement of profit and loss when the forecasted transaction occurs or affects profit or loss or when a hedged transaction is no longer expected to occur.

Translation of foreign operations

The Company presents the financial statements in INR which is the functional currency of the Company

The assets and liabilities of a foreign operation are translated into the reporting currency (INR) at the exchange rate prevailing at the reporting date

j) Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Federal Central tax Office (Romania). The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of temporary differences between tax base of assets and liabilities and their carrying amounts. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except deferred tax liability arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit/ loss at the time of transaction. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, except deferred tax assets arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit/ loss at the time of transaction. Deferred tax assets are recognized only to the extent that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available against which such deferred tax assets can be realized.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized in co-relation to the underlying transaction either in other comprehensive income or directly in equity.

k) Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the reporting period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any occurred during the reporting period, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year, are adjusted for the effects of all dilutive potential equity shares

The number of shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

l) Provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates

m) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

n) Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand, bank deposits and short-term investments with an original maturity of three months or less.

3.3 Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Group w.e.f. April 1, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

(This space is intentionally left blank)

Persistent Systems S.R.L. (Romania)

Notes forming part of financial statements

4. Share capital

	As at March 31, 2026	As at March 31, 2025
Authorised		
54500.00 shares of 10 LEU each.	545.00	545.00
	545.00	545.00
Issued, subscribed and paid-up 54500.00 shares of 10 LEU each.	545.00	545.00
Issued, subscribed and fully paid-up share capital	545.00	545.00

All the shares are held by Aepona Group Ltd.

a) Reconciliation of the shares outstanding at the beginning and at the end of the period

The reconciliation of the number of shares outstanding and the amount of share capital is set out below

	As at March 31, 2026	As at March 31, 2025
Share outstanding as at beginning of the year	545.00	545.00
Issued during the period / year	-	-
Shares outstanding as at end of year	545.00	545.00

b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of LEU1 per share. Each holder of equity shares is entitled to one vote per share

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

C) Details of shares held by Promoters**March 31, 2026**

	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of the total shares	% change during the year
Persistent Systems Germany GmbH	545	545	-	0%	100%

March 31, 2025

	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of the total shares	% change during the year
Persistent Systems Germany GmbH	545	-	545	100%	-

D) Shareholding pattern (shareholders holding more than 5%)**(i) As at 31-March-2026**

Name of the share holder	No of shares	% of the shares	Country of incorporation	Relationship
Aepona Group Ltd (Regis. Number 330681)	545.00	100%	Ireland	Holding company

(ii) As at 31-March-2025

Name of the share holder	No of shares	% of the shares	Country of	Relationship
Persistent Systems Germany GmbH (Regis. Number HRB106835)	545.00	100%	Germany	Holding company

During the year ended 31 March 2026, Persistent Systems S.R.L (Romania), incorporated in Romania, transferred 100% of its equity shareholding in the Company comprising 545 equity shares of RON 1 each, aggregating to RON 5,45,000 to Aepona Group Limited, incorporated in Ireland and having its registered office at 9, Exchange place, International Financial Services Centre, Dublin, Ireland with effect from 31-March-26

The said transfer was affected pursuant to internal group restructuring / business reorganisation / strategic divestment and was approved by the Board of Directors of the Company at its meeting held on 31-March-2026.

(This space is intentionally left blank)

Persistent Systems S.R.L. (Romania)**NOTES FORMING PART OF FINANCIAL STATEMENTS****5.1 Property, Plant and Equipment****(In ₹'000)**

	Computers	Total
Gross block (At cost)		
As at April 1, 2025	3,940.92	3,940.92
Additions	149.69	149.69
Deletions	-	-
- Exchange differences	594.39	594.39
As at March 31,2026	4,685.00	4,685.00
Depreciation and amortization		
As at April 1, 2025	2,199.19	2,199.19
Charge for the year	983.50	983.50
- Exchange differences	375.02	375.02
As at March 31,2026	3,557.71	3,557.71
Net block		
As at March 31,2026	1,127.29	1,127.29
As at March 31, 2025	1,741.73	1,741.73
	Computers	Total
Gross block (At cost)		
As at April 1, 2024	3,809.75	3,809.75
Additions	22.36	22.36
- Exchange differences	108.81	108.81
As at March 31, 2025	3,940.92	3,940.92
Depreciation and amortization		
As at April 1, 2024	1,287.16	1,287.16
Charge for the year	857.90	857.90
- Exchange differences	54.13	54.13
As at March 31, 2025	2,199.19	2,199.19
Net block		
As at March 31, 2025	1,741.73	1,741.73
As at March 31, 2024	2,522.59	2,522.59

(This page is intentionally left blank)

Persistent Systems S.R.L. (Romania)
NOTES FORMING PART OF FINANCIAL STATEMENTS

		(In ₹'000)	
5.2 Right of use assets		Right of use asset	Total
Gross Block (at cost)			
As at April 1, 2025		-	-
Additions		526.03	526.03
- Exchange differences		78.07	78.07
As at March 31, 2026		604.10	604.10
Amortisation			
As at April 1, 2025		-	-
Charge for the year		287.11	287.11
Deletions		-	-
- Exchange differences		14.94	14.94
As at March 31, 2026		302.05	302.05
Net block			
As at March 31, 2026		302.05	302.05
As at March 31, 2025		-	-

		(In ₹'000)	
		Right of use asset	Total
Gross Block (at cost)			
As at April 1, 2024		-	-
Additions		-	-
Deletions		-	-
- Exchange differences		-	-
As at March 31, 2025		-	-
Amortisation			
As at April 1, 2024		-	-
Charge for the year		-	-
- Exchange differences		-	-
As at March 31, 2025		-	-
Net block			
As at March 31, 2025		-	-
As at March 31, 2024		-	-

5.3 Depreciation and amortisation

	For the quarter ended		For the year ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	(In ₹000)	(In ₹000)	(In ₹000)	(In ₹000)
Property, Plant and Equipment	256.65	212.34	983.50	857.90
Right of use asset	74.34	-	287.11	-
	330.99	212.34	1,270.61	857.90

Persistent Systems S.R.L.
(Romania)

NOTES FORMING PART OF FINANCIAL STATEMENTS

6.Deferred tax assets (net)

	As at March 31,2026 (In ₹'000)	As at March 31,2025 (In ₹'000)
Deffered tax assets		
Provision for leave encashment	53.47	59.32
Provision for bonus and commission	276.87	260.63
	330.34	319.95

Persistent Systems S.R.L. (Romania)
Notes forming part of financial statements

7. Trade receivables

	As at March 31, 2026 (In ₹'000)	As at March 31, 2025 (In ₹'000)
Trade receivables- Billed		
Unsecured, considered good (Refer note 22)	32,987.26	42,386.06
Unsecured, considered doubtful	-	-
	<u>32,987.26</u>	<u>42,386.06</u>
Less : Expected credit loss	-	-
	<u>32,987.26</u>	<u>42,386.06</u>
Trade receivables- Unbilled		
	4,392.62	-
	<u>4,392.62</u>	<u>-</u>
	<u>37,379.88</u>	<u>42,386.06</u>

Trade receivables Ageing Schedule

	Unbilled	Curent but not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good (Ref no 24)	4,392.62	26,211.17	5,292.74	0.00	1,483.35	-	-	37,379.88
Undisputed Trade Receivables – which have significant increase in credit risk								-
Undisputed Trade receivable – credit impaired								-
Disputed Trade receivables - considered good								-
Disputed Trade receivables – which have significant increase in credit risk								-
Disputed Trade receivables – credit impaired								-
As At March 31, 2026	<u>4,392.62</u>	<u>26,211.17</u>	<u>5,292.74</u>	<u>-</u>	<u>1,483.35</u>	<u>-</u>	<u>-</u>	<u>37,379.88</u>
Less: Allowance for expected loss	-	-	-	-	-	-	-	-
Expected loss rate	0%	0%	0%	-	0%	-	-	0%

Trade receivables Ageing Schedule

	Unbilled	Curent but not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	18,306.98	13,125.87	10,953.21				42,386.06
Undisputed Trade Receivables – which have significant increase in credit risk								-
Undisputed Trade receivable – credit impaired								-
Disputed Trade receivables - considered good								-
Disputed Trade receivables – which have significant increase in credit risk								-
Disputed Trade receivables – credit impaired								-
As At March 31, 2025	<u>-</u>	<u>18,306.98</u>	<u>13,125.87</u>	<u>10,953.21</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,386.06</u>
Less: Allowance for expected loss	-	-	-	-	-	-	-	-
Expected loss rate		0%	0%	0%				0%

Persistent Systems S.R.L. (Romania)
NOTES FORMING PART OF FINANCIAL STATEMENTS

8. Cash and cash equivalents

	As at March 31, 2026 (In ₹'000)	As at March 31, 2025 (In ₹'000)
Cash and cash equivalents as presented in cash flow statement		
Cheques on hand		-
Balances with banks	56,892.47	40,682.19
	56,892.47	40,682.19

9. Other current assets

	As at March 31, 2026 (In ₹'000)	As at March 31, 2025 (In ₹'000)
Prepaid expenses	30.03	77.57
VAT receivable (net)	23,047.02	11,939.68
	23,077.05	12,017.25

Persistent Systems S.R.L. (Romania)**NOTES FORMING PART OF FINANCIAL STATEMENTS****10. Non-current financial liabilities : Borrowings (Ref no 24)**

	As at March 31, 2026 (In ₹'000)	As at March 31, 2025 (In ₹'000)
Non-current		
Unsecured		
Borrowings from related party		
- Persistent Systems Inc. (ref note 22)	-	19,230.75
(Repayment Terms : After 36 months)		
(Rate of interest: 3 month SOFAR plus 250 basis points)		
Current		
Intercompany deposits from related parties		
- Persistent Systems Inc.	11,810.24	
(Repayment Terms : After 36 months)		
(Rate of interest: 3 month SOFAR plus 109 basis points)		
Interest accrued but not due on loans	20.39	921.63
	11,830.63	20,152.38

Persistent Systems S.R.L. (Romania)
Notes forming part of financial statements

11. Trade payables

	As at March 31, 2026 (In ₹'000)	As at March 31, 2025 (In ₹'000)
Trade payables for goods and services (Refer note 24)	25,483.97	21,157.61
	25,483.97	21,157.61

Trade payables Ageing Schedule

	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	21072.08	2,456.25	0.21	547.62	1,407.81	25,483.97
Total outstanding dues of creditors other than micro enterprises and small enterprises		-			-	-
Disputed dues of micro enterprises and small enterprises						-
Disputed dues of creditors other than micro enterprises and small enterprises						-
As At March 31, 2026	21,072.08	2,456.25	0.21	547.62	1,407.81	25,483.97

Trade payables Ageing Schedule

	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	17,239.04	2,008.75	683.53	1,226.29		21,157.61
Total outstanding dues of creditors other than micro enterprises and small enterprises		-			-	-
Disputed dues of micro enterprises and small enterprises						-
Disputed dues of creditors other than micro enterprises and small enterprises						-
As At March 31, 2025	17,239.04	2,008.75	683.53	1,226.29	-	21,157.61

Persistent Systems S.R.L. (Romania)
NOTES FORMING PART OF FINANCIAL STATEMENTS

12. Lease Liabilities

	As at March 31, 2026 (In ₹'000)	As at March 31, 2025 (In ₹'000)
Non-current		
Lease liability	310.64	-
Less: current maturity of lease liability	(310.64)	-
	<u>-</u>	<u>-</u>
Current	310.64	-
Lease liability	<u>310.64</u>	<u>-</u>

Movement of lease liabilities

	As at March 31, 2026 (In ₹'000)	As at March 31, 2025 (In ₹'000)
Opening balance	-	-
Additions	526.03	-
Deletions	-	-
Add: interest recognised during the year (Ref, Note 18)	27.46	-
Less: payments made	(306.65)	-
Translation Adjustment	63.80	-
Closing balance	<u>310.64</u>	<u>-</u>

13. Other current liabilities

	As at March 31, 2026 (In ₹'000)	As at March 31, 2025 (In ₹'000)
Statutory liabilities	797.50	1,141.96
Advance from related parties (Unsecured, considered good) (Refer note 24)		
-Persistent Systems Germany GmbH	29.26	24.87
-Persistent Systems Inc.	1,407.81	
Accrued employee liabilities	1,730.24	2,297.63
	<u>3,964.81</u>	<u>3,464.46</u>

14. Current Liabilities: Provisions

	As at March 31, 2026 (In ₹'000)	As at March 31, 2025 (In ₹'000)
Provision for employee benefits		
- Leave encashment	334.17	370.74
	<u>334.17</u>	<u>370.74</u>

(This space is intentionally left blank)

Persistent Systems S.R.L. (Romania)
NOTES FORMING PART OF FINANCIAL STATEMENTS

15. Revenue from operations

	For the quarter ended		For the year ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	(In ₹'000)	(In ₹'000)	(In ₹'000)	(In ₹'000)
Sale of Services (Refer note 24)	44,859.62	49,953.10	173,074.65	212,043.78
	44,859.62	49,953.10	173,074.65	212,043.78

The table below presents disaggregated revenues from contracts with customers by offerings, segments, geography and customers' industry type. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

For the year ended March 31, 2025

Particulars	For the year ended	
	March 31, 2026 (In ₹'000)	March 31, 2025 (In ₹'000)
Segment wise disclosure		
Industrial Segments	173,074.65	212,043.78
BFSI	-	-
LSHC	-	-
Others	-	-
Total	173,074.65	212,043.78
Geographical disclosure		
India	-	-
North America	173,074.65	212,043.78
Rest of the World	-	-
Total	173,074.65	212,043.78

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially) satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts and also those which pertain to contracts with original expected duration of one year or less.

Changes in contract assets (unbilled revenue) are as follows:		
Particulars	For the year ended	
	March 31, 2026 (In ₹'000)	March 31, 2025 (In ₹'000)
Balance at the beginning of the year	-	-
Revenue recognised during the year	4,392.62	-
Invoices raised during the year	-	-
Translation exchange difference	-	-
Balance at the end of the year	4,392.62	-
Changes in Unearned revenue are as follows:		
Particulars	For the year ended	
	March 31, 2026 (In ₹'000)	March 31, 2025 (In ₹'000)
Balance at the beginning of the year	-	3,113.92
Revenue recognised that was included in the unearned revenue balance at the beginning of the year	(3,113.92)	(3,113.92)
Increase due to invoicing during the year, not recognised as revenue during the year	0.00	-
Translation exchange difference	0.00	-
Balance at the end of the year	-	-

Persistent Systems S.R.L. (Romania)**NOTES FORMING PART OF FINANCIAL STATEMENTS****16. Other income**

	For the quarter ended		For the year ended	
	March 31,2026 (In ₹'000)	March 31, 2025 (In ₹'000)	March 31,2026 (In ₹'000)	March 31,2025 (In ₹'000)
Miscellaneous income	(0.00)	15.26	750.35	75.49
Excess provision in respect of earlier years witten back	(1,075.95)	-	193.55	-
	(1,075.95)	15.26	943.90	75.49

17. Personnel expenses

	For the quarter ended		For the year ended	
	March 31,2026 (In ₹'000)	March 31, 2025 (In ₹'000)	March 31,2026 (In ₹'000)	March 31,2025 (In ₹'000)
17.1. Employee benefits expense				
Salaries, wages and bonus	5,697.15	7,867.44	26,229.87	62,183.19
Defined contribution to other funds	123.42	344.46	605.24	2,894.55
Staff welfare and benefits	120.30	244.58	351.22	1,937.53
	5,940.87	8,456.48	27,186.33	67,015.27
17.2 Subcontracting costs				
Technical professionals - others (Ref no. 24)	33,758.16	30,043.16	120,328.33	114,002.45
	33,758.16	30,043.16	120,328.33	114,002.45
	39,699.03	38,499.64	147,514.66	181,017.72

(This space is intentionally left blank)

Persistent Systems S.R.L. (Romania)
NOTES FORMING PART OF FINANCIAL STATEMENTS

18. Finance costs	For the quarter ended		For the year ended	
	March 31,2026	March 31,2025	March 31,2026	March 31,2025
	(In ₹'000)	(In ₹'000)	(In ₹'000)	(In ₹'000)
Intercompany Interest expenses	14.86	410.20	1,030.45	2,384.09
Interest on lease liability	6.19	-	27.46	-
	21.05	410.20	1,057.91	2,384.09

19. Other expenses

	For the quarter ended		For the year ended	
	March 31, 2026	March 31,2025	March 31,2026	March 31,2025
	(In ₹'000)	(In ₹'000)	(In ₹'000)	(In ₹'000)
Travelling and conveyance	-	-	-	355.16
Communication expenses	-	-	-	2.16
Training and seminars	-	-	-	172.42
Rent	(26.86)	45.64	58.57	282.49
Insurance	-	-	-	-
Legal and professional fees	331.86	2,051.12	3,521.57	7,904.11
Foreign exchange loss (net)	693.86	1,471.51	2,986.73	4,649.71
Sundry balances written off	-	145.60	-	145.60
Miscellaneous expenses	24.07	25.19	220.39	125.29
	1,022.92	3,739.06	6,787.26	13,636.94

(This space is intentionally left blank)

Persistent Systems S.R.L. (Romania)
NOTES FORMING PART OF FINANCIAL STATEMENTS

20. Earnings per share

		For the year ended March 31, 2026	For the year ended March 31,2025
<u>Numerator for Basic and Diluted EPS</u>			
Net Profit after tax (In ₹'000)	(A)	2,283.08	6,215.96
<u>Denominator for Basic EPS</u>			
Weighted average number of equity shares	(B)	54,500.00	54,500.00
<u>Denominator for Diluted EPS</u>			
Number of equity shares	(C)	54,500.00	54,500.00
Basic Earnings per share	(A/B)	41.89	114.05
Diluted Earnings per share	(A/C)	41.89	114.05
<hr/>			
		For the year ended March 31, 2026	For the year ended March 31,2025
Number of shares considered as basic weighted average shares outstanding		54,500.00	54,500.00
Add: Effect of dilutive issues of stock options		-	-
Number of shares considered as weighted average shares and potential shares outstanding		54,500.00	54,500.00

(This space is intentionally left blank)

21 Ratio Analysis and its elements

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% change	Reason for variance (If more than 25%)
(a) Current Ratio,	Current Assets	Current Liabilities	2.72	3.67	-26%	Increase in current liabilities is higher than increase in current assets
(b) Debt-Equity Ratio,	Debt	Equity	0.16	0.38	-59%	Decrease in ratio because of repayment of loan to PSI entity during the year
(c) Debt Service Coverage Ratio,	EBITDA	Debt service within a year	19.13	7.33	161%	Increase in the ratio due to debt repayment during the year
(d) Return on Equity Ratio,	Net Profit after tax	Average Equity	0.21	0.28	-25%	NA
(e) Inventory turnover ratio,			Not applicable	Not applicable		NA
(f) Trade Receivables turnover ratio,	Turnover	Trade Receivables	4.34	3.52	23%	NA
(g) Trade payables turnover ratio,	Turnover	Trade Payables	5.47	6.17	-11%	NA
(h) Net capital turnover ratio,	Turnover	Average working capital	2.44	3.04	-20%	NA
(i) Net profit ratio,	Net Profit after tax	Turnover	8%	6%	33%	NA
(j) Return on Capital employed,	Earnings Before Interest	Capital employed	25%	23%	9%	NA
(k) Return on investment.	Income generated from invested funds	Average invested funds in treasury investments	Not applicable	Not applicable		

(This space is intentionally left blank)

22. Unhedged foreign currency exposure at end of the year

Particulars	March 31, 2026			March 31, 2025		
	Amount in FC ('000)	Rate	Amount in INR '000	Amount in FC ('000)	Rate	Amount in INR '000
Trade Receivables	USD 148.56	94.77	14,079.11	USD 385.85	85.47	32,978.27
	CHF 26.83	118.57	3,180.55	CHF 11.78	97.00	1,142.70
Trade Payables	EUR 1.53	108.93	166.66	USD 1.95	83.40	162.45
	-	-	-	-	-	-
Intercorporate deposit received	USD 124.84	94.77	11,830.63	USD 235.78	85.47	20,152.12
Other current liabilities	EUR 0.26	108.93	29.26	EUR 0.26	95.65	24.87
Bank Balances	-	-	-	-	-	-

Persistent Systems S.R.L. (Romania)

Notes forming part of financial statements

23 A. Financial assets and liabilities

The carrying values of financial instruments by categories are as follows:

Financial assets / Financial liabilities	March 31, 2026			March 31, 2025			(In ₹ Million) Fair value hierarchy*
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	
Financial Assets:							
Cash and cash equivalents (including unpaid dividend)	-	-	56,892.47	-	-	40,682.19	Level 3
Trade receivables (net)	-	-	37,379.88	-	-	42,386.06	Level 3
Unbilled revenue	-	-	4,392.62	-	-	-	
Other financial assets	-	-	23,077.05	-	-	12,017.25	Level 3
Total Financial Assets	-	-	121,742.02	-	-	95,085.50	
Financial Liabilities:							
Borrowings (including accrued interest)	-	-	11,830.63	-	-	20,152.38	Level 3
Trade payables	-	-	25,483.97	-	-	21,157.61	Level 3
Lease liabilities	-	-	310.64	-	-	-	
Other financial liabilities (excluding borrowings)	-	-	3,964.81	-	-	3,464.46	Level 3
Total Financial Liabilities	-	-	41,590.05	-	-	44,774.45	

***Fair value hierarchy:**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. In respect of equity instruments of unlisted companies, in limited circumstances, insufficient more recent information is available to measure fair value, or if there are a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. The Group recognises such equity instruments at cost, which is considered as appropriate estimate of fair value.

(This space is intentionally left blank)

23 B. Financial risk management

Financial risk factors and risk management objectives

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risks to the Company is high dependence on top customers. The liquidity needs are managed by funding from / to the group companies. The Group's Risk Management Committee monitors risks and policies implemented to mitigate risk exposures.

Market risk

Particulars	In ₹ thousand	
	As at Mar 31, 2026	As at Mar 31, 2025
Trade receivables	17,259.65	34,120.97
Trade payables	166.66	162.45
Intercorporate deposit received	11,830.63	20,152.12
Other current liabilities	29.26	24.87

Foreign currency sensitivity analysis

For the period ended March 31, 2026 , every percentage point depreciation / appreciation in the exchange rate between the RON and foreign currencies, has affected the Company's profit before tax margin (PBT) by approximately (1.50%).& 1.50%

Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 32,987.26 thousand as at March 31, 2026. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk is managed by the Company's Credit Task Force through credit approvals, establishing credit limits and continuously monitoring the recovery status of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. The Company uses a provisioning policy approved by the Board of Directors to compute the expected credit loss allowance for trade receivables.

Credit risk is perceived mainly in case of receivables overdue for more than 180 days. The following table gives details of risk concentration in respect of percentage of receivables overdue for more than 180 days:

	In ₹ thousand	
	As at March 31, 2026	As at March 31, 2025
Receivables overdue for more than 180 days	1,483.35	10,953.21
Total receivables	32,987.26	42,386.06
Overdue for more than 180 days as a % of total receivables	4.5%	25.8%

(This space is intentionally left blank)

Persistent Systems S.R.L. (Romania)**Notes forming part of financial statements****Ageing of trade receivables**

	(In ₹ thousand)	
	As at	
	March 31, 2026	March 31, 2025
Within the credit period	26,211.17	18,306.98
1 to 30 days past due	-	-
31 to 60 days past due	5,172.30	9,707.07
61 to 90 days past due	120.43	-
91 to 120 days past due	-	-
121 to 180 days past due	-	3,418.80
181 and above past due	1,483.35	10,953.21
Less: Expected credit loss	-	-
Net trade receivables	32,987.25	42,386.06

Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. As at March 31, 2026, the Company had a working capital of ₹ 72,843.59 thousand including cash and cash equivalents of ₹ 56,892.47 thousand. As at March 31, 2025 the company had a working capital of ₹ 69,171.06 including cash and cash equivalents of ₹ 40,682.19 thousand

The table below provides details regarding the contractual maturities of significant financial liabilities:

	(In ₹ thousand)			
	As at		As at	
	March 31, 2026		March 31, 2025	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
Trade payables	23,528.33	1,955.64	19,247.79	1,909.82
Inter company loan	11,830.63	-	-	19,230.75
Lease liabilities	310.64	-	-	-

(This space is intentionally left blank)

24. Related Party Disclosures

i) Names of related parties and their related party relationships

i) Names of related parties and their related party relationships
Holding Company
- Aepona Group Limited
Ultimate Holding Company
- Persistent System Limited
Companies under the same management
- Persistent Systems Inc
- Persistent Systems France SAS
- Persistent Systems Switzerland AG (FKA PARX Werk AG)
Persistent Systems Germany GmbH
Persistent Systems UK Limited (FKA Aepona Limited)
Key managerial personnel
Arnaud Pierrel
Rajasekar Sukummar
Brijesh Chandel

i) Related party transactions

Nature of Transaction	Name of related party	Relation with the company	Year ended	Year ended
			March 31, 2026	March 31, 2025
Sale of Services	Persistent Systems Limited	Ultimate Holding Company	87,744.94	141,434.02
	Persistent Systems Inc.	Companies under the same management	-	-
	Persistent Systems France SAS	Companies under the same management	-	2,847.48
	Persistent Systems Switzerland AG (FKA PARX Werk AG)	Companies under the same management	12,241.35	21,198.18
	Persistent Systems UK Limited (FKA Aepona Limited)	Companies under the same management	-	3,006.62
	Persistent Systems Germany GmbH	Holding company	324.22	13,796.33
Cost of Technical Professional	Persistent Systems UK Limited (FKA Aepona Limited)	Companies under the same management	36.87	-
	Persistent Systems Switzerland AG (FKA PARX Werk AG)	Companies under the same management	5.30	-
	Persistent Systems France SAS	Companies under the same management	36.87	-
Intercompany Interest expenses	Persistent Systems, Inc.	Companies under the same management	1,030.45	2,384.09
Dividend	Persistent Systems Germany GmbH	Companies under the same management	-	-
	Arnaud Pierrel		-	-
Remuneration paid	Rajasekar Sukummar		-	-
	Brijesh Chandel		-	-

III) Balances outstanding

Particulars	Name of related party	Relation with the company	As at March-31,2026	As at March,31.2025
Share Capital	Aepona Group Limited	Companies under the same management	9076.3	9076.3
			-	
Intercorporate deposit received	Persistent Systems Inc.	Companies under the same management	11,810.24	19,230.75
Interest accrued but not due on loans	Persistent Systems Inc.	Companies under the same management	20.39	921.63
			-	
Advance received	Persistent Systems Germany GmbH	Companies under the same management	29.26	24.87
	Persistent Systems, Inc.	Companies under the same management	1,407.81	-
Trade payables	Persistent Systems UK Limited (FKA Aepona Limited)	Companies under the same management	-	1,091.58
	Persistent Systems Germany GmbH	Companies under the same management	161.61	-
	Persistent Systems Switzerland AG (FKA PARX Werk AG)	Companies under the same management	5.30	
	Persistent Systems Inc.	Companies under the same management	-	166.49
Trade receivables	Persistent Systems Inc.	Companies under the same management	-	0.00
	Persistent Systems Germany GmbH	Companies under the same management	90.44	14,062.02
	Persistent Systems France SAS	Companies under the same management	3,230.33	2,913.33
	Persistent Systems Limited	Ultimate Holding Company	7,976.26	13,705.70
	Persistent Systems Switzerland AG (FKA PARX Werk AG)	Companies under the same management	3,180.55	1,142.48

(This space is intentionally left blank)

25. Income Taxes

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before tax is summarized below:

	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	17,388.11	14,222.62
Enacted tax rate	16.00%	16.00%
Computed tax expense at enacted tax rate	2,782.10	2,275.62
Other	35.35	(680.43)
Prior Period Tax charge / (Credit)	825.11	(284.11)
Income tax expense	3,642.56	1,311.08

26. Auditors Remuneration

Particulars	As at March 31, 2026	As at March 31, 2025
Audit fee	-	-

27. Contingent liabilities:

The Company does not have any contingent liability as on March 31, 2026 (March 31, 2025 - Nil).

29. Capital Commitments:

The estimated amount of contracts remaining to be executed on Capital account not provided for, net of advances is ₹Nil

30. The financial statements are presented in ₹ thousand except for per share information or as otherwise stated

As per our report of even date.

For Joshi Apte &Co.,
Firm registration no. 104370W
Chartered Accountants

For and on behalf of the Board of Directors of
Persistent Systems. S.R.L (Romania)

Tejashree Joshi
Partner
Membership No. 139807

Rajasekar Sukumar
Director

Arnaud Pierrel
Director

Place: India
Date :- April 18, 2026

Place: United Kingdom
Date :- April 18, 2026

Place: France
Date :- April 18, 2026