DIGINEX LIMITED

COMBINED FINANCIAL STATEMENTS

31 MARCH 2024

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UHY LLP
Certified Public Accountants

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders
of Diginex Limited

Opinion

We have audited the accompanying combined financial statements of Diginex Limited (the "Company"), which comprise the combined statements of financial position as of March 31, 2024 and 2023, and the related combined statements of profit or loss and other comprehensive loss, changes in equity, and cash flows for the years then ended, and the related notes to the financial statements. In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Diginex Limited as of March 31, 2024 and 2023, and the results of their operations and their cash flows for the years then ended in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

Basis for Opinion

These combined financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's combined financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.
Our audits included performing procedures to assess the risks of material misstatement of the combined financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the combined financial statements. We believe that our audits provide a reasonable basis for our opinion.

Emphasis of Matter – Going Concern

As discussed in Note 2 to the combined financial statements, the Company has incurred a net loss and experienced negative cash flows from operating activities for the year ended March 31, 2024, and has a working capital deficit as of March 31, 2024. The Company's ability to continue as a going concern is dependent, in part, on receiving financial support from its founder, the Chairman of the Board of Directors, and a significant shareholder. Management's evaluation of the events and conditions and management's plans that mitigated these matters are described in Note 2 to these combined financial statements. Our opinion is not modified with respect to this matter.

We have served as the Company's auditor since 2023.

UHY LLP

New York, New York

September 9, 2024, except for Note 27 as to which the date is October 4, 2024

DIGINEX LIMITED
COMBINED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE LOSS
For the years ended 31 March 2024

	Notes	Year ended 31 March 2024 USD	Year ended 31 March 2023 USD
Revenue	5	1,299,538	1,625,763
General and administrative expenses	6	(9,363,345)	(8,900,491)
OPERATING LOSS		(8,063,807)	(7,274,728)
Other income, gains or (losses)	7	3,753,988	(1,762,410)
Finance cost, net	8	(552,651)	(220,460)
LOSS BEFORE TAXATION		(4,862,470)	(9,257,598)
Income tax expense	9	(8,917)	-
LOSS FOR THE YEAR		(4,871,387)	(9,257,598)
OTHER COMPREHENSIVE LOSS			
Items that may be reclassified subsequently to profit or loss:			
Exchange (loss) gain on translation of foreign operations		(7,684)	1,680
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(4,879,071)	(9,255,918)
LOSS PER SHARE ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic loss per share	10	(0.51)	(0.97))
Diluted loss per share	10	(0.75)	(0.97))

The above combined statement of profit or loss and other comprehensive loss should be read in conjunction with the accompanying notes.

DIGINEX LIMITED
COMBINED STATEMENT OF FINANCIAL POSITION
At 31 March 2024

	Notes	At 31 March 2024 USD	At 31 March 2023 USD
ASSETS			
Right-of-use assets	11	357,202	-
Rental deposit	13	35,431	-
Plant and equipment	12	-	3,696
Total non-current assets		392,633	3,696
Trade receivables, net	13	182,334	289,788
Contract assets	13	69,354	26,989
Other receivables, deposit and prepayment	13	253,476	43,392
Due from a related company	16	-	41,532
Cash and cash equivalents		76,620	1,183,176
Total current assets		581,784	1,584,877
LIABILITIES			
Trade payables	14	(788,798)	(187,584)
Other payables and accruals	14	(596,870)	(349,197)
Tax payables	9	(8,917)	-
Deferred revenue	15	(322,826)	(335,666)
Due to a related company	16	(34,579)	-
Due to immediate holding company	16	(5,345,929)	(506)
Loans from immediate holding company	16	(1,930,993)	(2,328,926)
Loan from a related company	16	(1,140,931)	-
Lease liabilities	19	(122,076)	-
Convertible loan notes	18	(3,975,534)	-
Total current liabilities		(14,267,453)	(3,201,879)
Loan from a related company	16	-	(1,060,712)
Lease liabilities	19	(243,280)	-
Preferred shares	17	(9,359,000)	(13,460,000)
Convertible loan notes	18	(114,808)	(3,349,822)
Total non-current liabilities		(9,717,088)	(17,870,534)
Net current liabilities		(13,685,669)	(1,617,002)
Net liabilities		(23,010,124)	(19,483,840)
EQUITY (DEFICIT)			
Share Capital	20	477	475
Capital reserve	21	3,752,192	3,724,826
Exchange reserve	21	(1,681)	6,003
Share option reserve	21	2,409,689	1,084,270
Accumulated losses	21	(29,170,801)	(24,299,414)
Total deficit		(23,010,124)	(19,483,840)

The above combined statement of financial position should be read in conjunction with the accompanying notes.

DIGINEX LIMITED
COMBINED STATEMENT OF CHANGES IN EQUITY (DEFICIT)
For the years ended 31 March 2024 and 2023

		Share Capital				Share		
				Capital	Exchange	option	Accumulated	
		Shares	**Amount**	**reserve**	**reserve**	**reserve**	**losses**	**Total**
	Notes		USD	USD	USD	USD	USD	USD
Balance at 1 April 2022		11,582	3,725,301	-	4,323	499,808	(15,041,816)	(10,812,384)
Loss for the year		-	-	-	-	-	(9,257,598)	(9,257,598)
Exchange gain on translation of foreign operations		-	-	-	1,680	-	-	1,680
Total comprehensive loss for the year		-	-	-	1,680	-	(9,257,598)	(9,255,918)
Share option awards	23	-	-	-	-	584,462	-	584,462
Balance at 31 March 2023 pre-recapitalized		11,582	3,725,301	-	6,003	1,084,270	(24,299,414)	(19,483,840)
Share exchange of DSL (1:410 exchange ratio)		4,737,038	(3,724,826)	3,724,826	-	-	-	-
Sub-total		4,748,620	475	3,724,826	6,003	1,084,270	(24,299,414)	(19,483,840)
Share Subdivision		4,748,620	-	-	-	-	-	-
Balance at 31 March 2023 recapitalized		9,497,240	475	3,724,826	6,003	1,084,270	(24,299,414)	(19,483,840)
Balance at 1 April 2023		11,582	3,725,301	-	6,003	1,084,270	(24,299,414)	(19,483,840)
Loss for the year		-	-	-	-	-	(4,871,387)	(4,871,387)
Exchange loss on translation of foreign operations		-	-	-	(7,684)	-	-	(7,684)
Total comprehensive loss for the year		-	-	-	(7,684)	-	(4,871,387)	(4,879,071)
Exercise of share option awards	23	44	27,368	-	-	(27,368)	-	-
Share option awards	23	-	-	-	-	1,352,787	-	1,352,787
Balance at 31 March 2024 pre-capitalized		11,626	3,752,669	-	(1,681)	2,409,689	(29,170,801)	(23,010,124)
Share exchange of DSL (1:410 exchange ratio)		4,755,034	(3,752,192)	3,752,192	-	-	-	-
Sub-total		4,766,660	477	3,752,192	(1,681)	2,409,689	(29,170,801)	(23,010,124)
Founding share of the Company		1	-	-	-	-	-	-
Sub-total		4,766,661	477	3,752,192	(1,681)	2,409,689	(29,170,801)	(23,010,124)
Share Subdivision		4,766,661	-	-	-	-	-	-
Balance at 31 March 2024 recapitalized		9,533,322	477	3,752,192	(1,681)	2,409,689	(29,170,801)	(23,010,124)

The above combined statement of changes in equity should be read in conjunction with the accompanying notes.

DIGINEX SOLUTIONS (HK) LIMITED
COMBINED STATEMENT OF CASH FLOWS
For the years ended 31 March 2024

	Year ended 31 March 2024	Year ended 31 March 2023
	USD	USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(4,862,470)	(9,257,598)
Adjustments for:		
Amortization – right-of-use assets	99,580	-
Depreciation – plant and equipment	3,696	1,007
Impairment losses (reversed) recognized in respect of trade receivables	(400)	5,032
Write-off of due from a related company	81,347	-
Bad debt written off	21,522	14,752
Finance costs	552,651	220,460
Share option awards	1,352,835	587,821
Net fair value loss of convertible loan notes	374,000	19,000
Net fair value (gain) loss of preferred shares	(4,101,000)	1,841,000
Operating cash flows before movements in working capital	(6,478,239)	(6,568,526)
Movements in working capital:		
Trade receivables	86,332	(43,726)
Contract assets	(42,365)	42,158
Other receivables, deposit, and prepayment	(210,936)	132,684
Due from a related company	(39,815)	(41,532)
Trade and other payables	841,155	(131,331)
Deferred revenue	(12,840)	18,955
Net cash used in operating activities	(5,856,708)	(6,591,318)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of convertible loan notes	100,000	3,250,000
Advances from immediate holding company	5,345,423	600,000
Loans from immediate holding company	564,483	2,250,000
Loan from a related company	-	1,000,000
Repayment of lease liabilities	(109,754)	-
Repayment of loans from immediate holding company	(1,150,000)	(600,000)
Net cash generated from financing activities	4,750,152	6,500,000
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,106,556)	(91,318)
Cash and cash equivalents at the beginning of the year	1,183,176	1,274,494
CASH AND CASH EQUIVALENTS AT END OF YEAR	76,620	1,183,176

Except as disclosed below, there were no other material non-cash investing and financing activities during the year end 31 March 2024 and 2023:

- During the year ended 31 March 2024, the Group entered into a new lease agreement for the use of office space that expires on 1 July 2027. On the lease commencement, the Group recognized right-of-use assets and lease liabilities of $482,619 and $482,619, respectively. The deposit for the lease of $34,579 was paid by a related company and was included in the due to a related company. An additional deposit payment was made in February 2024 of $852 by the Company to take the total deposit to $35,431. The quarterly rent was adjusted and increased to 32,091 Euros ($34,905) from February 2024 with a corresponding lease modification adjustment of $25,837 recognized.
- In October 2023, the Company issued 44 shares (36,080 shares after the Transaction and Share Subdivision) to an employee via the exercising of vested employee share options.

The above combined statement of cash flows should be read in conjunction with the accompanying notes.

1 COMPANY ORGANIZATION AND PRINCIPAL ACTIVITIES

Diginex Limited (the "Company") was incorporated on 26 January 2024 as an exempted company in the Cayman Islands with limited liability with its registered office at the office of Ogier Global (Cayman) Limited, 89 Nexus Way, Camana Bay, Grand Cayman, KY1-9099, Cayman Islands and principal place of business at Smart-Space Fintech 2, Room 3, Units 401-404, Core C, Cyberport 3, 3 Cyberport Road, Telegraph Bay, Hong Kong. The Company's substantial shareholder is Rhino Ventures Limited ("Rhino Ventures") which a limited company incorporated in the British Virgin Islands.

The Company is an investment holding company and the principal activities of Diginex Solutions (HK) Limited ("DSL") and its subsidiaries ("DSL Group") are the provision of Environmental, Social and Governance ("ESG") reporting solution services, advisory services and developing customization solutions. The Company and DSL Group are collectively referred to as the "Group".

These combined financial statements are presented in US dollars ("USD"), which is the same as the functional currency of the Company.

These combined financial statements for the year ended 31 March 2024 were authorized for issue by the Board of Directors on October 4, 2024. The Company's board of directors has the power to amend the combined financial statements after issue.

1.1 Summary of significant transactions

The Group incurred the following transaction that significantly affect the financial position and performance of the Group:

- During the year ended 31 March 2024, the Group entered into a new lease agreement for the use of office space that expires on 1 July 2027. On the lease commencement, the Group recognized right-of-use assets and lease liabilities of $482,619 and $482,619, respectively.
- During the year ended 31 March 2024, a Note with a face value of $100,000 was issued resulting in an aggregate face value of all Notes issued of $3,350,000 as of 31 March 2024.

1.2 Group Reorganization

On 15 July 2024, the Company completed a Share Exchange Transaction (the "Transaction") with DSL and each of the shareholders of DSL. Prior to the Transaction, the Company had issued one founding share with a par value of USD0.0001 and was a newly incorporated entity without material business activities, while DSL was the parent of the Diginex group of companies ("DSL Group"). The Transaction resulted in the Company becoming the immediate holding company of DSL Group and DSL became a wholly owned subsidiary of the Company. The Transaction resulted in one share in DSL being exchanged for four hundred and ten (410) shares in the Company.

On 26 July 2024, the authorized share capital of the Company changed to USD50,000 divided into 960,000,000 Ordinary Shares of USD0.00005 par value each and 40,000,000 Preferred Shares of USD0.00005 par value each (the "Share Subdivision"). The Share Subdivision resulted in the shareholding of each Company shareholder increasing by a multiple of two.

The financial statements of DSL Group were consolidated for the year ended 31 March 2024 and then combined with Diginex Limited from 26 January 2024. Upon incorporation of Diginex Limited on 26 January 2024, both Diginex Limited and DSL operated under the common control of Rhino Ventures Limited. It is due to this common control and the Transaction on 15 July 2024 that the financial statements of Diginex Limited have been presented on combined basis with the reserves being retrospectively adjusted to reflect the impact of the Transaction and Share Subdivision (collectively referred to as the "Recapitalization") and the operating result of Diginex Limited being combined with those of DSL Group from 26 January 2024.

2 BASIS OF PREPARATION

These combined financial statements for the year ended 31 March 2024 have been prepared in accordance with the International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB").

2.1 Going concern basis of accounting

The combined financial statements have been prepared on a going concern basis, which assumes that the Group will be able to meet its financial obligations, working capital requirements and capital expenditures as and when they fall due. Future cash flow projections have been analyzed to establish the cash requirements over the coming 12 months which highlight a need for the Group to raise additional capital and/or reduced expenses as necessary.

Since incorporation, the Group has incurred losses but has been able to fund itself via raising funds from investors, issuance of debt instruments and funding by way of shareholders' loans. In May 2024, DSL completed an $8.0 million capital raise with its immediate holding company, Rhino Ventures, which was settled by advances of cash of $6.1 million and the conversion of loans from immediate holding company of $1.9 million. Upon the completion of the capital raise, DSL allotted 5,086 ordinary shares and 10,172 warrants to Rhino Venture. As of 31 March 2024, $5.3 million of cash had been received and is classified as due to immediate holding company and outstanding loans amounted to $1.9 million. DSL also has convertible loan notes and preferred shares, classified as liabilities on the combined statement of financial position, which will be mandatorily converted into equity upon the Form F-1 of the Company being declared effective. The founder of the Company has provided assurances that Rhino Ventures, a company controlled by the founder, will continue to support the Company via the shareholder's loans for the earlier of the next 12 months from the date of these combined financial statements were issued or the date the Company's planned registration statement on Form F-1 being declared effective and the consummation of the initial public offering and the related funding. In addition to the above options to raise capital, management also has the ability to control or reduce cash outflows by reducing the cost base of the Group.

Taking into account the ability for the Group to raise finances and management's ability to control costs, management has alleviated the doubt about the Group's ability to continue as a going concern.

2.2 Application of new and amendments to IFRSs

For the purpose of preparing the combined financial statements for the year ended 31 March 2024, the Group has consistently applied the accounting policies which conform with IFRSs, which includes IFRSs, International Accounting Standards ("IAS") and Interpretations ("IFRIC – Int") issued by the IASB that are effective for the accounting period beginning on 1 April 2023, throughout the year.

In the current year, the Group has applied the following new and amendments to IFRSs issued by the IASB for the first time, which are mandatorily effective for the Group's financial annual periods beginning on or after 1 April 2023 for the preparation of the combined financial statements:

- IFRS 17 and the Related Amendments - Insurance Contracts
- Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies
- Amendments to IAS 8 - Definition of Accounting Estimates
- Amendments to IAS 12 - Deferred Tax Related to Assets and Liabilities arising from a Single Transaction
- Amendments to IAS 12 - International Tax Reform–Pillar Two Model Rules

Except as described below, the application of the new and amendments to IFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these combined financial statements.

Amendment to IAS 1 and IFRS Practice Statement 2 Disclosure of Accounting Policies

IAS 1 is amended to replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

IFRS Practice Statement 2 Making Materiality Judgements (the “Practice Statement”) is also amended to illustrate how an entity applies the “four-step materiality process” to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements.

The Group has revisited the accounting policy information it has been disclosing and considered it is consistent with the amendments.

Amendments to IAS 8 Definition of Accounting Estimate

The amendments define accounting estimates as “monetary amounts in financial statements that are subject to measurement uncertainty”. An accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty – that is, the accounting policy may require such items to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available, reliable information. In addition, the concept of changes in accounting estimates in IAS 8 is retained with additional clarifications.

The amendments do not have a material impact on these combined financial statements as the Group’s approach in distinguishing changes in accounting policies and changes in accounting policies and changes in accounting estimates is consistent with the amendments.

2.3 New and amendments to IFRSs in issued but not yet effective

The Group has not early applied the following new and amendments to IFRSs that have been issued but are not yet effective:

- Amendments to IFRS 10 and IAS 28: “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture” (effective for annual periods beginning on or after a date to be determined)
- Amendments to IAS 1: “Classification of Liabilities as Current or Non-current” (effective for fiscal periods beginning on or after 1 January 2024)
- Amendments to IAS 1: “Non-current Liabilities with Covenants” (effective for fiscal periods beginning on or after 1 January 2024)
- Amendments to IAS 7 and IFRS 7: “Supplier Finance Arrangements” (effective for fiscal periods beginning on or after 1 January 2024)
- Amendments to IFRS 16: “Lease Liability in a Sale and Leaseback” (effective for fiscal periods beginning on or after 1 January 2024)

Management anticipates that the application of all the new and amendments to IFRSs will have no material impact on the Group’s combined financial statements in the future.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The combined financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these combined financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 Share-based Payment.

For financial instruments which are transacted at fair value and a valuation technique that unobservable inputs are to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price, where the highest level of inputs available are used in the valuation.

In addition, for financial reporting purposes, fair value measurements are categorized 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 asset or liability.

Material accounting policy information adopted by the Group is disclosed below.

Basis of consolidation

The combined financial statements incorporate the consolidated financial statements of DSL Group and the financial statements of the Company. The consolidated financial statements of DSL Group have been combined with those of the Company from 26 January 2024.

Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the combined statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the ordinary equity holders of the Company and to the non-controlling interests. Total comprehensive income or loss of subsidiaries is attributed to the ordinary equity holders of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Deemed reverse acquisition

The acquisition method of accounting is used to account for all deemed reverse acquisitions where in substance an operating company is acquired by a shell company where the shareholders of the operating company obtain control of the shell company.

With respect to the Transaction, DSL is the operating company while the Company is considered as shell company.

Identifying the accounting acquirer/accounting acquiree:

The Company is considered as the legal acquirer and the accounting acquiree. Control is obtained by DSL shareholders as the Company, on 15 July 2024, issued 6,869,960 ordinary shares and 1,291,910 preferred shares which allowed the former shareholder of DSL to hold the majority of issued share capital and voting rights.

Determining the deemed consideration transferred:

The deemed consideration transferred for the deemed reverse acquisition of the Company is the fair value of the shares which DSL would have had to issue in establishing the same post transaction control structure but as if it were the legal acquirer. Given there is no change to the control structure after the Transaction, the deemed consideration is determined as $Nil.

Fair value of assets and liabilities acquired in a deemed reverse acquisition:

Identifiable assets acquired and liabilities assumed in a deemed reversed acquisition are, with limited exceptions, measured initially at their fair values at the acquisition date. For the Transaction, the net assets acquired from the Company are solely current account with DSL, and its carrying value approximates fair value and is considered insignificant.

Calculate the Transaction expense:

The excess of the deemed consideration transferred over the fair value of the net identifiable assets acquired from the Company is considered insignificant to be recognized as an expense under IFRS 2 in the Group's combined statement of profit or loss.

Presentation of the combined financial statements post deemed reverse acquisition:

Under the Transaction, the Company being the accounting acquiree (legal acquirer), becomes the ultimate parent holding company of the Group, however, the combined financial statement represents a continuation of DSL, the accounting acquirer (legal acquiree) with the exception of the legal capital structure.

The combined financial statements incorporate the financial statements items of the combining entities, i.e. the Company and DSL Group, in which the combination occurs as if they had been combined from the date when the combining entities first came under the control of the substantial shareholders.

The net assets of the combining entities are consolidated using the existing book values from the substantial shareholder's perspective. No amount is recognized in respect of goodwill or bargain purchase gain at the time of combination.

The combined statement of profit or loss and other comprehensive loss includes the results of each of the combining entities from the earliest date presented or since the date when the combining businesses first came under the control of the substantial shareholder, where this is a shorter period, i.e. the date of incorporation of the Company on 26 January 2024.

Given the Company had not existed during the year ended 31 March 2022 and the combined financial statement represents a continuation of DSL, the consolidated financial statements of DSL Group for the year ended 31 March 2022 are presented as the comparative amounts in these combined financial statements.

Shareholders' equity of DSL prior to the Transaction is retrospectively adjusted as a recapitalization for the equivalent number of shares received and on a pro rata basis, together with the impact of the Share Subdivision for prior reporting periods. Retained earnings and relevant reserves of the DSL are carried forward after the Transaction. Any difference to shareholders equity of DSL arising from the recapitalization of share capital and equity instruments issued is recorded in equity under the capital reserve.

Earnings per share

Earnings per share for periods prior to the Recapitalization are retrospectively adjusted to reflect the number of equivalent shares received by the accounting acquirer, DSL, based on the number of shares outstanding on the reporting dates multiplied by the exchange ratio. The exchange ratio being the combination of the share exchange swap of one DSL ordinary share for 410 Diginex Limited ordinary shares multiplied by a factor of two to reflect the Share Subdivision and one DSL preferred share for 410 Diginex Limited preferred shares multiplied by a factor of two to reflect the Share Subdivision.

Revenue recognition

The Group recognizes revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the services underlying the particular performance obligation is transferred to the customer. A performance obligation represents a service (or a bundle of goods or services) that is distinct or a series of distinct services that are substantially the same.

Except for granting of a license that is distinct from other promised services, control is transferred over time and revenue is recognized over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

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

Otherwise, revenue is recognized at a point in time when the customer obtains control of the distinct service.

For granting of a license that is distinct from other promised services, the nature of the Group's promise in granting a license is a promise to provide a right to access the Group's intellectual property if all of the following criteria are met:

- the contract requires, or the customer reasonably expects, that the Group will undertake activities that significantly affect the intellectual property to which the customer has rights;
- the rights granted by the license directly expose the customer to any positive or negative effects of the Group's activities; and
- those activities do not result in the transfer of a good or a service to the customer as those activities occur.

If the criteria above are met, the Group accounts for the promise to grant a license as a performance obligation satisfied over time. Otherwise, the Group considers the grant of license as providing the customers the right to use the Group's intellectual property and the performance obligation is satisfied at a point in time at which the license is granted.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with IFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

Over time revenue recognition:- Input method

The progress towards complete satisfaction of a performance obligation is measured based on input method, which is to recognize revenue on the basis of the Group's efforts or inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation, that best depict the Group's performance in transferring control of services.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Government grants relating to compensation of expenses are deducted from the related expenses, other government grants are presented under “other income, gains or (losses)”.

Research and development expenditure

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

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

The amount initially recognized for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

During each of the years ended 31 March 2024 and 2023, no research and development expenditure is recognized as an internally generated intangible asset.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognized at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognized in profit or loss in the period in which they arise.

For the purposes of presenting the combined financial statements, the assets and liabilities of the Group’s operations are translated into the presentation currency of the Group (i.e. USD) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interests as appropriate).

Borrowing costs

Borrowing costs are recognized in the statement of profit or loss in the period in which they are incurred.

Employee benefits

Retirement benefit costs

Payments made by the Group to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognized at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognized as an expense unless another IFRSs requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognized for benefits accruing to employees (such as salaries and annual leave) after deducting any amount already paid.

Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share option reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognized in the statement of profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share option reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to the statement of profit or loss.

When share options are exercised, the amount previously recognized in share option reserve will be transferred to share capital. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognized in share option reserve will be transferred to accumulated losses.

Taxation

Income tax expense (benefit) represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognized in the combined statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the combined financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against deductible temporary differences, unused tax losses or unused tax credits. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the deferred liability is settled or the deferred asset is realized, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognized in profit or loss.

Plant and equipment

Plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Plant and equipment are stated in the combined statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognized so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Estimated useful lives of plant and equipment are as follows:

Office equipment	5 years

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

Lease

At inception of a contract, the Group assesses whether the 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.

The Group as lessee

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group 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 Group applies practical expedient not to separate non-lease components from lease component, and instead account for the lease component and any associated non-lease components as a single lease component.

In applying IFRS 16, the Group elected a simplified approach for leases with a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognized as expense on a straight-line basis.

In assessing whether a lessee is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, the Group considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

Right-of use assets

The right-of-use asset is initially recognized at cost comprising of:

- amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the unaudited interim condensed combined statement of financial position.

Lease liabilities

At the commencement date of a lease, the Group recognizes and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments. The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item on the unaudited interim condensed combined statement of financial position.

Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its tangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amounts of relevant assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair value less costs to sell and 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 the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognized immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Cash and cash equivalents

Cash and cash equivalents mainly comprised of cash at different banks. The Company considers all short-term investments with an original maturity of three months or less when purchased as cash and cash equivalents. As of 31 March 2024 and 2023, the Group did not have such short term investments.

Financial instruments

Financial assets and financial liabilities are recognized when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognized and derecognized on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortized cost:

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

All other financial assets are subsequently measured at FVTPL.

Amortized cost and interest income

Interest income is recognized using the effective interest method for financial assets measured subsequently at amortized cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired. At the end of the reporting period, trade and other receivables are measured at amortized cost.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or Fair Value Through Other Comprehensive Income ("FVTOCI") or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss. The net gain or loss recognized in profit or loss excludes any dividend or interest earned on the financial asset.

Impairment of financial assets subject to impairment assessment under IFRS 9

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including trade and other receivables and amounts due from an associate/shareholders/related companies) which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognizes lifetime ECL for trade receivables.

For all other instruments, the Group measures the loss allowance equal to 12-month expected credit loss ("ECL"), unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognizes lifetime ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

<u>Financial liabilities and equity</u>

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination to which IFRS 3 applies, (ii) held for trading or (iii) it is designated as at FVTPL.

A financial liability is held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed, and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

For financial liabilities that are designated as at FVTPL, the amount of changes in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss.

Financial liabilities at amortized cost

Financial liabilities including other payables and amounts due to an associate/related parties/directors are subsequently measured at amortized cost, using the effective interest method.

Preferred shares/ convertible loan notes/redeemable ordinary shares

At the date of issue, preferred shares, convertible loan notes and redeemable ordinary shares are designated as at FVTPL with both the debt component and derivative components recognized at fair value. In subsequent period, changes in fair value are recognized in profit or loss as fair value gain or loss except for changes in the fair value that is attributable to changes in the credit risk (excluding changes in fair value of the derivatives component) is recognized in other comprehensive income, unless the recognition of the effects of changes in the credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to the credit risk that are recognized in other comprehensive income are not subsequently reclassified to profit or loss, they are transferred to retained profits upon derecognition.

Transaction costs relating to the issue of all these instruments are charged to profit or loss immediately.

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Related parties

A related party is a person or entity that is related to the Group.

(a) A person or a close member of that person's family is related to the Group if that person:

   i. has control or joint control over the Group;
   ii. has significant influence over the Group; or
   iii. is a member of key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions apply:

   i. The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
   ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
   iii. Both entities are joint ventures of the same third party.
   iv. One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
   v. The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
   vi. The entity is controlled or jointly controlled by a person identified in (a).
   vii. A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
   viii. The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Current versus non-current classification

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

- It is expected to be realized or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realized within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in 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.

All other liabilities are classified as non-current.

4 KEY SOURCES OF JUDGEMENTS AND ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements which have the most significant effect on the amounts recognized in the combined financial statements:

Functional currency

The Company's revenue contracts, operating expenses and borrowing are primarily in USD, and are expected to remain principally denominated in USD in the future. Management has determined USD as the Company's functional currency and presented the combined financial statements in USD to meet the requirements of users.

Financial instruments

In the process of classifying a financial instrument, management has made various judgments. Judgment is needed to determine whether a financial instrument, or its component parts, on initial recognition is classified as a financial liability, a financial asset or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and an equity instrument. In making its judgment, management considered the detailed criteria and related guidance for the classification of financial instruments as set out in IFRS 9, in particular, whether the instrument includes a contractual obligation to deliver cash or another financial asset to another entity.

Segmental reporting

Operating segments are defined as components of an entity for which separate financial information is available and that is regularly reviewed by the Chief Operating Decision Maker (the "CODM") in deciding how to allocate resources to an individual segment and in assessing performance. The Group's management is considered the Group's CODM. The CODM reviews financial information presented on a combined basis for purposes of making operating decisions, allocating resources, and evaluating financial performance. While the Group has revenue from multiple services and geographies, the financial position, performance and cashflow of the Group are considered by the CODM on a combined basis, so discrete financial information is not available for each such component. The overall financial performance of the Group is also considered as a whole.

As such, the Group has determined that it operates as one operating segment and one reportable segment. The Group will continue to assess the operating segments reviewed by the CODM and the associated reportable segments per IAS 8.

Estimation uncertainties

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

Fair value measurement of financial instruments

At the end of each reporting period, certain of the Group's financial liabilities, including preferred shares and convertible loan notes, are measured at fair value with fair value being determined based on significant unobservable inputs using valuation techniques. Judgement and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could result in material adjustments to the fair value of these instruments.

Provision of ECL for trade receivables

Trade receivables with significant balances and credit-impaired are assessed for ECL individually. In addition, for trade receivables which are individually insignificant or when the Group does not have reasonable and supportable information that is available without undue cost or effort to measure ECL on individual basis, collective assessment is performed by grouping debtors based on the Group's internal credit ratings.

The provision of ECL is sensitive to changes in estimates.

Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax exposure in the period in which such determination is made.

Share-based payment expenses – share options awards

The fair value of the share option awards granted that is determined at the date of grant of the respective share options is expensed over the vesting period, with a corresponding adjustment to the Group's share option reserve. In assessing the fair value of the share option award, discounted cash flows and the equity allocation model were used to calculate the fair value of the share options. The discounted cash flows and the equity allocation model require the input of subjective assumptions, including discount rate, volatility of the Company's ordinary shares and the expected life of options. Any changes in these assumptions can significantly affect the estimate of the fair value of the share option awards.

Discount rate used for initial measurement of lease liability

The Group, as a lessee, measures the lease liability at the present value of the unpaid lease payments at the commencement date. 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 Group on initial recognition of the lease uses its incremental borrowing rate. Incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use assets in similar economic environment.

5 REVENUE

An analysis of the Group's revenue for the reporting periods are as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
	USD	USD
At a point in time:		
Customization income	695,243	1,019,064
Advisory service income	160,085	-
	855,328	1,019,064
Over time:		
Advisory service income	-	248,497
License fee income	444,210	358,202
	444,210	606,699
	1,299,538	1,625,763

All service provided by the Group are for periods of one year or less. As permitted under IFRS 15, the transaction price allocated to the remaining performance obligations is not disclosed.

6 GENERAL AND ADMINISTRATIVE EXPENSES

	Notes	Year ended 31 March 2024	Year ended 31 March 2023
		USD	USD
Employees' benefits	(a)	5,043,962	5,025,450
IT development and maintenance support	(b)	2,121,539	2,661,511
Audit fee	(c)	594,224	22,294
Professional fee	(d)	531,245	275,234
Travelling expenses	(e)	514,106	28,935
Amortization and depreciation	(f)	103,276	1,007
Write-off of due from a related company		81,347	-
Write-off of trade receivables		21,522	14,752
Impairment loss (reversal)/ recognized in respect of trade receivables		(400)	5,025
Advertising and marketing expenses	(g)	43,000	479,766
Consultancy fees	(h)	42,599	126,153
Rent	(i)	35,426	83,657
Others	(j)	231,499	176,707
		9,363,345	8,900,491

The by-nature classification of general and administrative expenses for the year ended 31 March 2023 has been represented to conform with the presentation for the year ended 31 March 2024.

(a)	Year ended 31 March 2024	Year ended 31 March 2023
	USD	USD
Basic salaries, allowances and all benefits-in-kind	3,581,537	4,261,273
Pension costs – defined contribution plans	109,590	176,356
Share-based payments	1,352,835	587,821
	5,043,962	5,025,450

The above includes the cost of both employees and contractors. At 31 March 2024 the Company had 22 employees and 7 contractors (2023: 26 employees and 10 contractors).

(b) IT development and maintenance support costs relate, primarily, to those associated with a third party that contributes to researching, developing and maintaining the Group commercial products. The costs also include server expenses for hosting the products. Included in IT development and maintenance support, the Group incurred research and development expenses of $1,334,865 for the year ended 31 March 2024 (2023: $2,089,914).

(c) For the year ended 31 March 2024, significant increase in audit fees is due to the fees for the Public Company Accounting Oversight Board ("PCAOB") audits of DSL's consolidated financial statements for each of the years ended 31 March 2022, 2023 and 2024. For the year ended 31 March 2023, audit fees are primarily related to local statutory audits of group entities in different jurisdictions.

(d) The increase in professional fees during the year ended 31 March 2024 is primarily due to the legal and professional fees incurred in connection with the preparation of the Form F-1 of the Company and the planned IPO.

(e) Travelling expenses increased as the Group met with investors and sought business opportunities

(f) The increase is primarily due to amortization expense in connection with the new office lease entered into by the Group in Monaco during the year ended 31 March 2024.

(g) Advertising and marketing fees costs reduced during the year ended 31 March 2024 as the Group ceased running a digital marketing campaign with the aid of a third party.

(h) Consultancy fees, primarily relate to third party human resources support and other licensing service. Costs relating to human resources support decreased in the year ended 31 March 2024.

(i) Rent represents the operating lease of Hong Kong office for both years. During the year ended 31 March 2023, the Group moved to cheaper office space.

(j) Other costs include recruitment fees insurance, bank charges, general office expenses and others.

7 OTHER INCOME, GAINS OR (LOSSES)

	Notes	Year ended 31 March 2024	Year ended 31 March 2023
		USD	USD
Fair value change			
Preferred shares	(a)	4,101,000	(1,841,000)
Convertible loan notes	(b)	(374,000)	(19,000)
Bank interest income		873	576
Subsidies from government authorities		19,230	67,433
Other		6,885	29,581
		3,753,988	(1,762,410)

(a) The preferred shares were fair valued, using an equity allocation model at the end of each reporting period, which resulted in a gain of $4,101,000 for the year ended 31 March 2024 (2023: loss of $1,841,000).

(b) During the year ended 31 March 2024 and 2023, the Group issued 8% convertible loan notes. At 31 March 2024, there were outstanding notes with aggregate face values of $3,350,000 (2023: $3,250,000). The notes were fair valued at the end of each reporting period, resulting in a loss of $374,000 for the year ended 31 March 2024 (2023: loss of $19,000).

8 FINANCE COSTS, NET

	Year ended 31 March 2024	Year ended 31 March 2023
	USD	USD
Interest on		
Convertible loan notes	266,520	80,822
Loan from immediate holding company	187,584	78,926
Loan from a related company	80,219	60,712
Lease liabilities	18,328	-
	552,651	220,460

9 INCOME TAXES

During the year ended 31 March 2024, income tax expense of the Group represented under-provision of current tax from 2022 of a subsidiary in United States of America. There was no other current tax expense or deferred tax expense for the year ended 31 March 2024.

There was no current or deferred tax expense for the year ended 31 March 2023.

9.1 Current income taxes

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK$2 million (c.$250,000) of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million (c.$250,000) will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Taxes charged on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

The income tax expense for the year can be reconciled to the loss for the year from per the combined statement of profit or loss and other comprehensive income as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
	USD	USD
Loss before taxation	(4,862,470)	(9,257,598)
Notional tax calculated at the rates applicable to profits in the tax jurisdictions concerned	(821,825)	(1,555,403)
Tax effect of expenses that are not deductible	405,775	451,111
Tax effect of income that are not taxable	(676,665)	-
Tax effect of tax losses not recognized	1,092,715	1,104,292
Under-provision in prior years	8,917	-
Income tax expense	8,917	-

9.2 Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset tax recoverable against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The Group has accumulated tax losses of $21,847,422 at 31 March 2024 (2023: $15,337,860) that are available indefinitely for offsetting against future taxable profits of the respective group companies in which the losses arose.

Deferred tax asset in respect of accumulated tax losses of $Nil (2023: $3,696) has been recognized to offset deferred tax liability arising from accelerated depreciation of the Group's plant and equipment. No deferred tax asset has been recognized in respect of the remaining tax losses of $21,847,422 (2023: $15,334,164).

The ultimate realization of unused tax losses is dependent upon the generation of sufficient future taxable profits during the periods in which those temporary differences become deductible. In determining the recognition of a deferred tax asset, management considered the future profitability of the Group. While management expects the Group to return profits in the future, there is still an element of uncertainty and as such, no deferred tax asset has been recognized.

10 LOSS PER SHARE

	Year Ended 31 March 2024 USD	Year Ended 31 March 2023 USD
Loss for the year		
Loss for the year for the purpose of basic loss per share	(4,871,131)	(9,257,598)
Effect of dilutive potential ordinary shares:		
Fair value change of preferred shares	(4,101,000)	NA
Loss for the year for the purpose of diluted loss per share	(8,972,131)	(9,257,598)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic loss per share – post-recapitalization	9,514,886	9,497,240
Effect of dilutive potential ordinary shares:		
Preferred shares – post-recapitalization	2,460,000	N/A
Weighted average number of ordinary shares for the purpose of diluted loss per share – post-recapitalization	11,974,886	9,497,240

Due to the losses during the years ended 31 March 2024 and 2023, some anti-dilutive instruments were excluded from the calculation of diluted loss per share. The excluded instruments (post-recapitalization), which are determined as anti-dilutive, include:

- Share option awards of 1,934 and 1,545, with Recapitalized amount of shares exercisable from the share option awards of 1,585,880 and 1,266,900, at 31 March 2024 and 31 March 2023, respectively., see note 23;
- Preferred shares of 3,000 shares, with Recapitalized amount of Preferred Shares of 2,460,000, at 31 March 2023, see note 17; and
- Convertible loan notes with aggregate face values of $3,350,000 (2023: $3,250,000), see note 18.

11 RIGHT-OF-USE ASSETS, NET

Right-of-use assets relate to office space leased by the Group. The amount in respect of lease are as follows:

	Properties USD
At 1 April 2023	-
Additions (a)	482,619
Amortisation	(99,580)
Modification adjustment (b)	(25,837)
At 31 March 2024:	357,202

Note:

(a) In June 2023, the Group entered into a lease agreement in Monaco which expires in January 2027. The lease has an annual break clause.

(b) There was rent review in February 2024 and modification adjustment were made to account for the change in monthly rent.

12 PLANT AND EQUIPMENT

	Computer equipment USD
Cost:	
At 1 April 2022, 31 March 2023 and 31 March 2024	5,038
Accumulated depreciation:	
At 1 April 2022	(335)
Charge for the year	(1,007)
At 31 March 2023	(1,342)
Charge for the year	(3,696)
At 31 March 2024	(5,038)
Net carrying amount:	
At 31 March 2024	-
At 31 March 2023	3,696

13 TRADE RECEIVABLES, CONTRACT ASSETS, PREPAYMENT, DEPOSITS AND OTHER RECEIVABLES

13.1 Trade receivables

	At 31 March 2024	At 31 March 2023
	USD	USD
Trade receivables	186,966	294,820
Less: loss allowance	(4,632)	(5,032)
Total	182,334	289,788

Trade receivables are non-interest bearing and generally have credit terms of 30 days.

An aging analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss provision, is as follows:

	At 31 March 2024	At 31 March 2023
	USD	USD
Less than 1 month	85,740	74,078
Between 1 month and 3 months	59,905	135,691
Over 3 months	36,689	80,019
	182,334	289,788

The movements in the loss allowance for impairment of trade receivables are as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
	USD	USD
At the beginning of the year	5,032	-
Provision for the year	2,200	5,032
Reversal for the year	(2,600)	-
At the end of the year	4,632	5,032

During the year ended 31 March 2024, trade receivables of $21,522 (2023: $14,752) were written off due to uncollectible as assessed by management. The carrying amounts of trade receivables are approximate their fair values.

13.2 Contract Assets

	At 31 March 2024	At 31 March 2023
	USD	USD
Contract Assets	69,354	26,989

Contract assts relates to client contracts that have been complete, revenue recognized but yet to be invoiced.

13.3 Prepayment, deposits and other receivables

	Notes	At 31 March 2024	At 31 March 2023
		USD	USD
Current:			
Deposits	(a)	35,261	-
Prepayments		34,197	43,250
Other receivables	(b)	184,018	142
		253,476	43,392
Non-current:			
Deposit	(a)	35,431	-

(a) Current deposits represent amounts paid to an employment agency in Germany. Non-current deposit of $35,431 (2023: $Nil) represents a deposit for a long-term lease of office space in Monaco. Deposit of $34,579 was originally paid by a related party and is shown as an amount due to related party of the balance sheet.

(b) Other receivables mainly comprised deferred transaction costs in connection with the planned initial public offering of the Group of $142,633 (the "IPO expenses") and an outstanding balance with payment channel, Stripe, of $41,385. The IPO expenses shall be deducted against equity upon the successful IPO or charged to the statement of profit or loss if the IPO is unsuccessful.

14 TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

	Note	At 31 March 2024	At 31 March 2023
		USD	USD
Trade payables		788,798	187,584
Other payables		11,057	5,081
Accruals	(a)	585,813	344,116
		1,385,668	536,781

(a) Accruals include audit fee, salaries and holiday pay accruals for employees, IPO related fees and others associated with the on-going running of the Group.

15 DEFERRED REVENUES

	At 31 March 2024	At 31 March 2023
	USD	USD
Advisory service income	52,950	35,533
Customization income	122,200	82,608
License fee income	147,676	217,525
	322,826	335,666

At 1 April 2022, deferred revenues amounted to $316,711.

Deferred revenue relates to revenues that have been invoiced to the client but not yet earned. The deferred revenues are expected to be recognized as revenue in the next 12 months.

16 RELATED PARTY TRANSACTIONS

16.1 Transactions with related parties

In addition to those related party transactions and balances disclosed elsewhere in the combined financial statements, the Group had the following transactions with its related parties during the reporting period:

	Notes	Year ended 31 March 2024	Year ended 31 March 2023
		USD	USD
License fee income	(a)	71,333	387,751
Contractor fee	(b)	250,000	250,000
Impairment loss recognized in respect of due from a related company	(c)	81,347	-
Finance charges on:			
Loan from a related company	(d)	80,219	60,712
Loans from immediate holding company	(e)	187,584	78,926
Convertible loan notes	(f)	266,520	80,822

(a) During the year ended 31 March 2024, the Group entered into sales agreements with certain shareholders amounting to $71,333 in revenue generated (2023: $387,751).

(b) During the year ended 31 March 2024, Miles Pelham, controller of Rhino Ventures, engaged as a contractor to provide management services in return for a fee of $250,000 (2023: $250,000).

(c) During the year ended 31 March 2024, the Group has fully written off the amount due from a related company, Diginex (Holdings) Limited, a company controlled by Rhino Ventures, of $81,347 (2023: $Nil).

(d) The Group has an outstanding loan principal of $1,000,000 due to Diginex (Holdings) Limited. The loan bears an 8% annual interest charge and interest of $80,219 accrued during the year ended 31 March 2024 (2023: $60,712).

(e) The Group has a loan outstanding from the immediate holding company, Rhino Ventures Limited, with a principal balance of $1,664,483 at 31 March 2024 (2023: $2,250,000). The loan bears an 8% annual interest charge and interest of $187,584 accrued during the year ended 31 March 2024 (2023: $78,926).

(f) During the year ended 31 March 2024 and 2023, the Group issued convertible loan notes to existing shareholders of the Company. There were notes outstanding of $3,743,000 at 31 March 2024 (2023: $3,269,000. The loan note bears an 8% annual interest charge and interest of $266,520 accrued during the year ended 31 March 2024 (2023: $80,822).

16.2 Amounts due from(to) a related company/ immediate holding company

As of 31 March 2024, the amount due to a related company, Compass Limited, of $34,579 (2023: $Nil) related to the deposit for the office lease in Monaco. Compass Limited is a company controlled by Rhino Ventures. An amount due to immediate holding company, Rhino Ventures, of $5,345,929 (2023: $506) which relates advance deposits relating to the $8 million capital raise of the Company from Rhino Ventures. All amounts are unsecured, interest-free and repayable on demand.

There was no outstanding balance from a related company, Diginex (Holdings) Limited, at 31 March 2024 following the write off of $81,347 during the year. The balance outstanding at 31 March 2023 was $41,532. Balance was unsecured, interest-free and repayable on demand.

16.3 Loans from a related company/ immediate holding company

As of 31 March 2024, loans from immediate holding company, Rhino Ventures, are unsecured, charging at an interest rate of 8% per annum and are repayable on 30 June 2024, the repayment dates has been extended from 31 December 2023, which was the due date at 31 March 2023. At 31 March 2024, the outstanding principal amount was $1,664,483 (2023: $2,250,000) and corresponding accrued interest amounted to $266,510 (2023: $78,926) resulting in a total outstanding of $1,930,993 (2023: $2,328,926). Subsequently in May 2024, maturity date of the loans was extended to 30 September 2024.

As of 31 March 2024, loan from a related company, Diginex (Holdings) Limited, are unsecured, charging at an interest rate of 8% per annum and are repayable on 31 December 2024. At 31 March 2024, the outstanding principal amount was $1,000,000 (2023: $1,000,000). At 31 March 2024, interest accrued on the loan amounted to $140,931 (2023: $60,712) resulting in a total outstanding of $1,140,931 (2023: $1,060,712). At 31 March 2023, the loan was classified as due in more than one year.

16.4 Key management compensation

	Year ended 31 March 2024	Year ended 31 March 2023
	USD	USD
Basic salaries, allowances and all benefits-in-kind	1,514,495	1,304,369
Pension costs - defined contribution plans	7,308	7,885
Share-based payments	1,324,067	410,912
	2,845,870	1,723,166

Key management personnel are considered as senior representatives of the Group.

16.5 Amounts due to key management

At 31 March 2024, expense reimbursement of $23,919 was outstanding to key management personnel (31 March 2023: $12,135).

17 PREFERRED SHARES

In July 2021, DSL allotted 3,000 Series A Preferred Shares to a new shareholder for a consideration of $6,000,000.

Each Preferred Share carries a number of votes equal to that of the ordinary shares then issuable upon its conversion into ordinary shares at the record date for determination of the shareholders entitled to vote on such matters. The holders of Series A Preferred Shares and ordinary shares shall vote together as a single class unless it is required by applicable law or the Company’s Article of Association that Series A Preferred Shares to vote separately as a class.

Conversion right

Each Preferred Share shall automatically be converted into ordinary shares, at the conversion price (i) immediately upon the closing of a qualified initial public offering or (ii) upon the prior written approval of the holders of majority of Series A Preferred Shares (voting together as a single class).

Unless converted earlier pursuant to above,, each holder of Series A Preferred Shares shall have the right, at such holder’s sole discretion, to convert all or any portion of the Series A Preferred Shares into ordinary shares at any time.

In respective of the conversion price, the conversion rate for Series A Preferred Shares shall be determined by dividing the issue price (US$2,000) per share at the time of its issuance (the “Issue Price”) by the conversion price then in effect at the date of the conversion. The initial conversion price will be the Issue Price on first Series A Preferred Share was issued (i.e., a 1-to-1 initial conversion ratio), and such initial conversion price will be subject to adjustments to reflect stock dividends, stock splits and future capital raises at a price per share lower than the conversion price in effect on the date of and immediately prior to such issuance (the “Applicable Conversion Price”). Upon future capital raises at a price per share lower than the Applicable Conversion Price, anti-dilution adjustment will be applied to reduce the Applicable Conversion Price concurrently.

Dividend right and protection provision

Each holder of Series A Preferred Shares shall be entitled to receive dividends, prior and in preference to any declaration or payment of any dividend on the ordinary shares or any other class or series of shares issued by the Company, at the rate of four percent per annum of the applicable issue price of the Series A Preferred Shares, on a non-cumulative basis, for each Series A Preferred Share held by such holder. As part of the protective provision, certain reserved matters of the Company and its subsidiaries shall require the prior written approval of the holders of a majority of Series A Preferred Shares as provided in the Articles of Association of the Company (the "Articles").

Redemption right

The preferred shares are redeemable at the request of the holders at earlier of (i) a qualified initial public offering has not been consummated on or before the fifth anniversary of the date on which the first Series A Preferred Share was issued; or (ii) a redemption right has been triggered by a materially breach of certain transaction documents by the Company; or (iii) the Company materially fails to comply with applicable laws and regulations. The redemption price (the "Redemption Price") for each Series A Preferred Share shall be equal to the higher of (i) 100% of the applicable Issue Price for such Series A Preferred Shares and plus all declared but unpaid dividend, or (ii) the then fair market value of such Preferred Share.

Liquidation preference

The Series A Preferred Shares also provided with liquidation preference to its holders in the event of any liquidation, dissolution or winding up of the Company, either voluntary or involuntary or the consummation of a liquidation event as provided in the Articles to recover one hundred percent (100%) of the corresponding Issue Price per Share (such price may be adjusted as necessary) plus all accrued or declared but unpaid dividends.

As at 31 March 2024, the DSL has issued 3,000 Series A Preferred Shares (2023: 3,000), with Recapitalized amount of 2,460,000 Series A Preferred Shares (2023: 2,460,000) and the carrying amount of preferred shares is $9,359,000 (2023: $13,460,000) with fair value gain of $4,101,000 recognized during the year ended 31 March 2024 (2023: loss of $1,841,000). For details of fair value measurement, please refer to note 26.5 to the combined financial statements.

18 CONVERTIBLE LOAN NOTES (THE "NOTES")

	At 31 March 2024	At 31 March 2023
	USD	USD
Fair value of the Notes	3,743,000	3,269,000
Accrued interest	347,342	80,822
	4,090,342	3,349,822
Classified as:		
Current liabilities	3,975,534	-
Non-current liabilities	114,808	3,349,822
	4,090,342	3,349,822

In January 2023, the Company issued a convertible loan note instrument to create unsecured Notes of up to $10,000,000 in aggregate, bears fixed interest rate of 8% per annum. The Notes have a maturity date on the second anniversary of the effective date of the instrument.

The Notes shall automatically convert into ordinary shares at the conversion price on the earlier of the following events, (i) a relevant fund raising, (ii) change of control, or (iii) an initial public offering ("IPO"). Such senior class of shares to be issued to investors in connection with the relevant fund raising or issued at the completion of the change of control or IPO.

During the year ended 31 March 2024, a Note with a face value of $100,000 was issued resulting in an aggregate face value of $3,350,000 as of 31 March 2024. During the year ended 31 March 2023, Notes with face values of $1,000,000, $1,000,000, $1,000,000 and $250,000 were issued in August 2022, January 2023, March 2023 and March 2023, respectively, with aggregate face value of $3,250,000 issued as of 31 March 2023. Fair value loss of $374,000 was recognized during the year ended 31 March 2024 (2023: loss of 19,000).

For details of fair value measurement, please refer to note 26.5 to the combined financial statements.

19 LEASE LIABILITIES

During the year ended 31 March 2024, the Company entered into a lease that expires on 1 January 2027. The quarterly rent is 31,316 Euros ($34,580). The lease is adjusted annually by an indexation factor and has an annual break clause. The quarterly rent is adjusted and increased to 32,091 Euros ($34,905) from February 2024.

Changes in lease liability is as follows:

	At 31 March 2024	At 31 March 2023
	USD	USD
At 1 April	-	-
Increase in lease liability	482,619	-
Interest expense (note 8)	18,328	-
Lease modification adjustment	(25,837)	
Reduction in lease liability	(109,754)	-
	365,356	-

Classified in the combined statements of financial position as follows:

	At 31 March 2024	At 31 March 2023
	USD	USD
Current	122,076	-
Non-current	243,280	-
	365,356	-

Maturity of lease liabilities is as follows:

	At 31 March 2024	At 31 March 2023
	USD	USD
Not later than one year	139,619	-
Later than one year and not later than five years	255,969	-
	395,588	-
Finance costs	(30,232)	-
Present value of minimum lease payments	365,356	-

The lease commitments have been discounted to calculate a present value of commitments using a cost of capital rate of 5.88%.

20 SHARE CAPITAL

Under a deemed reverse acquisition (as discussed in note 3), the historical shareholders' equity of DSL, being the accounting acquirer (legal acquiree) prior to the Transaction is retrospectively adjusted to reflect the legal capital structure of the accounting acquiree (legal acquirer) and the Share Subdivision. This is calculated by using the exchange ratio as determined on the completion of the Transaction being 410 shares in the Company for each DSL share and multiplying by 2 for the impact of Share subdivision. The difference in value of the share capital arising from this conversion versus the share capital amount in DSLK is recorded in equity under the capital reserve.

The Shares of the Company have a par value of $0.00005 after the Share Subdivision.

	Notes	Share Capital Shares	Share Capital Amount	Capital reserve	Share capital net of capital reserve
			USD	USD	USD
Balance at 1 April 2022 and 31 March 2023 pre-capitalized		11,582	3,725,301	-	3,725,301
Share exchange of DSL (1:410 exchange ratio)	(a)	4,737,038	(3,724,826)	3,724,826	-
Sub-total		4,748,620	475	3,724,826	3,725,301
Share Subdivision	(b)	4,748,620	-	-	-
Balance at 31 March 2023 Recapitalized		9,497,240	475	3,724,826	3,725,301
Balance at 1 April 2023		11,582	3,725,301	-	3,725,301
Exercise of share option awards	(c)	44	27,368	-	27,368
Balance at 31 March 2024 pre-recapitalized		11,626	3,752,669	-	3,752,669
Share exchange of DSL (1:410 exchange ratio)	(a)	4,755,034	(3,752,192)	3,752,192	-
Sub-total		4,766,660	477	3,752,192	3,752,669
Founding share of the Company		1	-	-	-
Sub-total		4,766,661	477	3,752,192	3,752,669
Share Subdivision	(b)	4,766,661	-	-	-
Balance at 31 March 2024 Recapitalized		9,533,322	477	3,752,192	3,752,669

Notes:

(a) On 15 July 2024, the Company completed a Share Exchange Transaction (the "Transaction") with DSL and each of the shareholders of DSL. Prior to the Transaction, the Company had issued one founding share with a par value of USD 0.0001 and was a newly incorporated entity without material business activities, while DSL was the parent of the Diginex group of companies ("DSL Group"). The Transaction resulted in the Company becoming the immediate holding company of DSL Group and DSL became a wholly owned subsidiary of the Company. The Transaction resulted in one share in DSL being exchanged for four hundred and ten (410) shares in the Company.

(b) On 26 July 2024, the authorized share capital of the Company changed to USD50,000 divided into 960,000,000 Ordinary Shares of USD0.00005 par value each and 40,000,000 Preferred Shares of USD0.00005 par value each (the "Share Subdivision"). The Share Subdivision resulted in the shareholding of each Company shareholder increasing by a multiple of two.

(c) In October 2023, DSL issued 44 shares to an employee via the exercising of vested employee share options. These shares rank pari passu with the existing ordinary shares of DSL in all respects. These shares equate to 36,080 shares post the Recapitalization.

314 ordinary shares issued by DSL in March 2022, with recapitalized amount of 257,480 ordinary shares, were issued with conditions. The conditions were based on the use of funds and the provision of information by DSL to the shareholder. Should any conditions not be met then there is a 30-day remediation period to resolve the issue. If such issues cannot be resolved the shareholder can demand DSL to buy back the investment at the higher of the fair value of the investment or the initial investment value. Such conditions lapse on an IPO of the Company or DSL. Management considers the possibility of such an outcome to be remote and the fair value of the option to redeem the investment to be immaterial.

21 OTHER RESERVES

Nature and purpose of reserves

21.1 Capital reserve

The capital reserve arises from the recapitalization of the Group with the Company’s share capital issued as part of the Transaction and the impact of the Share Subdivision. This reserve ensures that the total shareholders equity both pre- and post-Transaction and the Share Subdivision remains the same as that of the DSL Group immediately before the Transaction and Share Subdivision.

21.2 Share option reserve

The share option reserve comprises of the fair value of share options that have yet to vest.

21.2 Exchange reserve

Exchange reserve comprises all foreign exchange differences arising from the translation of the financial statement of foreign operation. The reserve is dealt with in accordance with the accounting policies set out in note 4.

21.3 Accumulated losses

Accumulated losses are the cumulative net loss of the Group sustained in the business.

22 DIVIDEND

No dividends were declared or paid during each of the years ended 31 March 2024 and 202

23 SHARE-BASED PAYMENTS

The board of directors of DSL (the "Board") approved and adopted the Share Option Award Scheme (the "Scheme") which outlines the grant of share option award (the "Award") to selected employees and/or consultants of the Group (the "Participant") to subscribe ordinary shares of DSL (the "Share"). The Board may determine the Participant and grant Shares under the Scheme not exceeding 15% of issued shares in DSL on a fully diluted basis. Purpose of the Scheme is to attract and retain the best available talent for the Company to benefit its business operations.

DSL may grant the Participant an Award consisting in the right to acquire or receive a certain number, or a percentage, of Shares (the "Ownership Stake") determined in the Scheme (each event being an "Award Grant"). The Award Grant shall vest after thirty-six (36) calendar months of continuous employment with, or service to, DSL or of any of its affiliates (the "Vesting Date"). Unless exercised, the Award will lapse and expire after six (6) calendar months from the Vesting Date ("Long Stop Date").

The number of Shares the Participant is entitled to under an Award Grant shall be determined at the Vesting Date. The vesting of the Award Grant shall confer to the Participant the same shareholding percentage in DSL as the Ownership Stake. Unless determined at the time of the Award Grant, such shareholding shall be calculated based on the total number of Shares issued at the Vesting Date.

Prior to the Long Stop Date, should DSL give notice of: 1) merger or acquisition or similar event involving change of control of the Company; or 2) listing of its shares on a recognized and regulated stock exchange, all Awards, whether vested or unvested, shall be: 1) (i) automatically exchanged for equivalent options over or in relation to shares in the acquirer entity or listed company; or (ii) cancelled in exchange for, and automatically converted to, shares in the acquiring entity or listed company in equivalent value as the value under the Option Grant, which will be locked-up for a period of 15 months from the date of change of control or listing, respectively, (the "Lock-up Period") and will be released in three (3) equal instalments over a period of six (6) months following the expiration of such Lock-up Period.

The Award Grant shall be forfeited and cancelled if before the Vesting Date: (a) the Participant hands in a notice of resignation; (b) the Participant gives notice of termination of service; or (c) the Participant's employment or service with the Company is terminated for any reason, unless otherwise determined by the Board in its sole and absolute discretion.

During the year, the Board approved to extend the Long Stop Date to nine (9) calendar months from the Vesting Date and shorten the Lock-up Period to a period twelve (12) months from the change of control or listing in December 2023. In March 2024, the Board further approved to extend the Long Stop Date to twelve (12) calendar months from the Vesting Date.

Details of the Awards granted during the year:

Grant date		% of share option award to vest	Vesting period		Fair value per option at grant date
			From	To	USD
25-Apr-2022	*	0.10%	25-Apr-2022	31-Mar-2023	3,218
25-May-2022		0.10%	25-May-2022	5-Nov-2023	3,218
26-Sep-2022	*	1.00%	26-Sep-2022	25-Sep-2025	3,488
18-Oct-2022	**	0.10%	18-Oct-2022	1-Sep-2024	3,515
23-Nov-2022	**	0.20%	23-Nov-2022	1-Jul-2023	3,570
12-Jan-2023	**	0.05%	12-Jan-2023	1-Jul-2023	3,646
1-May-2023	***	1.00%	1-May-2023	30-Apr-2026	3,543
8-Aug-2023	***	2.40%	8-Aug-2023	8-Aug-2023	2,837
1-Sep-2023	***	0.20%	1-Sep-2023	30-Apr-2026	2,666

* Fair value of the Awards as of 25 April 2022 and 26 September 2022 is approximated to that as of 1 April 2022 and 30 September 2022, respectively.

** Fair values of the Awards as of 18 October 2022, 23 November 2022 and 12 January 2023 are determined using interpolation method between the fair values determined on 30 September 2022 and 31 March 2023.

*** Fair values of the Awards as of 1 May 2023, 8 August 2023 and 1 September 2023 are determined using interpolation method between the fair values determined on 31 March 2023 and 30 September 2023.

Number of unvested shares (based on number of DSL's shares-in-issue at the end of each reporting period):

	Number of unvested shares
	USD
At 1 April 2022	1,404
Additions	141
At 31 March 2023	1,545
At 31 March 2023 recapitalized	1,266,900
At 1 April 2023	1,545
Additions	389
Vested	(1,727)
At 31 March 2024	207
At 31 March 2024 recapitalized	169,749

Movement of share option reserve:

	Share option reserve
	USD
At 1 April 2022	499,808
Additions	584,462
At 31 March 2023	1,084,270
Additions	1,352,787
Exercised	(27,368)
At 31 March 2024	2,409,689

The fair value of the Awards granted is estimated at the grant date using discounted cash flow ("DCF") and equity allocation model ("EAM"). The following table lists the inputs to those models at respective grant date:

Dates of fair value	**Valuation approach**	**Discount rate**	**Terminal growth rate**	**Lack of marketability discount**	**Lack of control discount**	**Volatility**
1-Apr-2022	DCF & EAM	17%	3%	15%	20%	41.16%
25-May-2022	DCF & EAM	17%	3%	15%	20%	41.16%
30-Sep-2022	DCF & EAM	17%	3%	15%	20%	44.16%
31-Mar-2023	DCF & EAM	17%	3%	15%	20%	46.62%
30-Sep-2023	DCF & EAM	18%	3%	10%	20%	42.41%

The equity value at 100% basis is determined using DCF method based on the estimates of cash flows as of the grant date discounted using an appropriate discount rate, having considered relevant risk factors. Given there are no new grants of the Awards since 30 September 2023, no additional valuation of the Awards is therefore required post this date.

24 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's combined statement of cash flows as cash flows from financing activities.

	Preferred shares	Convertible loan notes	Amount due from immediate holding company	Amount due from a related company	Loan from immediate holding company	Loan from a related company	Total
	US$	US$	US$	US$	US$	US$	US$
At 1 April 2022	11,619,000	-	506	-	-	-	11,619,506
Financing cash flows							
Additions	-	3,250,000	600,000	-	2,250,000	1,000,000	7,100,000
Repayments	-	-	(600,000)	-	-	-	(600,000)
Interest expenses	-	80,822	-	-	78,926	60,712	220,460
Fair value adjustments	1,841,000	19,000	-	-	-	-	1,860,000
At 31 March 2023	13,460,000	3,349,822	506	-	2,328,926	1,060,712	20,199,966
Financing cash flows							
Additions	-	100,000	5,345,423	-	564,483	-	6,009,906
Repayments	-	-	-	-	(1,150,000)	-	(1,150,000)
Non-cash transaction	-	-	-	34,579	-	-	34,579
Interest expenses	-	266,520	-	-	187,584	80,219	534,323
Fair value adjustments	(4,101,000)	374,000	-	-	-	-	(3,727,000)
At 31 March 2024	9,359,000	4,090,342	5,345,929	34,579	1,930,993	1,140,931	21,901,774

25 SUBSIDIARIES

The Group's subsidiaries on March 31, 2024, from an financial reporting perspective following the Recapitalization, are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group. The country of incorporation or registration is also their principal business place of business. Particulars of the subsidiaries as of March 31, 2024 are as follows:

Name of entity	Place of Incorporation and operation	Principal activities	Particulars of issued/registered share capital	Percentage of ownership interest
Diginex Solutions (HK) Limited*	Hong Kong	Provision of ESG reporting solutions services	11,626 ordinary shares and 3,000 preferred shares Issued	Direct 100% (2023: 100%)
Diginex USA, LLC	United States of America	Provision of ESG reporting solutions services	1,000 Class A Units of $10 each	Indirect 100% (2023: 100%)
Diginex Services Limited	United Kingdom	Provision of ESG reporting solutions services	Ordinary shares of 1 pence each	Indirect 100% (2023: 100%)

* Legally became a subsidiary of the Company on 15 July 2024.

26 FINANCIAL RISK MANAGEMENT

26.1 Market risk factors

The Group's activities expose it to a variety of market risks: foreign currency risk, interest rate risk and liquidation risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

The risks are minimized by the financial management policies and practices described below.

26.1.2 Foreign currency risk

The Group operates primarily in USD and HKD, albeit there is an increasing exposure to GBP and Euro. Given USD and HKD are pegged within a range, the Group had a reduced exposure to foreign currency risk during the year. Given the increasing exposure to other currencies, the Group will formalize a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure to manage the risk. The material balance sheet items are denominated in USD and as such no sensitivity analysis on the impact of foreign exchange movements has been performed.

26.1.3 Interest rate risk

The Group has minimal interest rate risk because there are no significant borrowings at variable interest rates. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated. The Group's cash flow interest rate risk relates primarily to variable-rate bank balances. The exposure to the interest rate risk for variable rate bank balances is insignificant as the bank balances have a short maturity period.

26.2 Credit risk

The Group has exposure to credit risk arising from deposits in banks as well as trade receivables. Credit risk is managed on a Group basis.

The amount of the Group's maximum exposure to credit risk is the amount of the Group's carrying value of the related financial assets and liabilities as of the end of the reporting period.

26.2.1 Deposits with bank

With respect to the Group's deposit with bank, the Group limits its exposure to credit risk by placing deposits with financial institution with high credit rating and no recent history of default. Given the high credit ratings of the banks, management does not expect any counterparty to fail to meet its obligations. Management will continue to monitor the position and will take appropriate action if their ratings are changed. As at 31 March 2024 and 2023, the Group had a concentration of deposits with one bank but does have additional banking relationships to mitigate any concentration risk.

Despite the Group having a banking relationship with Signature Bank, the collapse of the bank in March 2023 did not significantly affect the Group's finances. This is due to the fact that the Group had a minimal bank balance held at Signature Bank.

26.3 Liquidity risk

26.3.1 Financing arrangement

The Group monitors its cash position on a regular basis and manages cash and cash equivalents to finance the Group's operations. The Group has been primarily financed via the proceeds from the issuance of equity, issuance of convertible loan notes and access to a shareholder loan.

As of 31 March 2024, the Group's current liabilities exceeded its current assets by $13,720,318 and the Group was in net liabilities of $23,009,868. Despite the need for the Group to raise additional capital and/or reduced expenses as necessary based on the future cash flow projections over the coming 12 months, as mentioned in note 2.1, management believe that the Group will be able to raise finances and management is able to control or reduce cash outflows by reducing cost base of the Group in order to meet its financial obligations as and when they fall due within the next twelve months from the end of the reporting period.

26.3.2 Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the end of each financial reporting period to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Within 1 year	1-5 years	Total
	USD	USD	USD
At 31 March 2024			
Accounts payable	788,798	-	788,798
Other payables and accruals	596,870	-	596,870
Tax payables	8,917	-	8,917
Deferred revenue	322,826	-	322,826
Due to a related company	34,579	-	34,579
Due to immediate holding company	5,345,929	-	5,345,929
Loan from immediate holding company	1,930,993	-	1,930,993
Loan from a related company	1,140,931	-	1,140,931
Lease liabilities	122,076	243,280	365,356
Preferred shares	-	9,359,000	9,359,000
Convertible loan notes	3,975,534	114,808	4,090,342
	14,267,453	9,717,088	23,984,541
At 31 March 2023			
Accounts payable	187,584	-	187,584
Other payables and accruals	349,197	-	349,197
Deferred revenue	335,666	-	335,666
Amount due to immediate holding company	506	-	506
Loan from immediate holding company	2,328,926	-	2,328,926
Loan from a related company	-	1,060,712	1,060,712
Preferred shares	-	13,460,000	13,460,000
Convertible loan notes	-	3,349,822	3,349,822
	3,201,879	17,870,534	21,072,413

26.4 Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximize the return to the shareholders through the optimization of the debt and equity balance.

The Group manages its capital structure and adjusts it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may issue new shares or other instruments. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 2023.

26.5 Fair values measurements

26.5.1 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of financial instruments in the combined financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments and non-financial assets into the three levels prescribed under the accounting standards. An explanation of each level is set out in Note 3. There is no transfer between level 1, 2 or 3 during both years.

Fair value measurements using level 3	At 31 March 2024	At 31 March 2023
	USD	USD
Recurring fair value		
Preferred shares	9,359,000	13,460,000
Convertible loan notes	3,743,000	3,269,000

26.5.2 Valuation techniques used to determine fair values

Below lists the valuation techniques and key inputs used by the Group to value its Level 3 financial instruments. There has been no change in valuation technique during the year ended 31 March 2024 and 2023.

Financial instruments	**Amount as at 31 March 2024**	**Amount as at 31 March 2023**	**Valuation techniques and key inputs**
Preferred shares (Note 1)	$9,359,000	$13,460,000	The Discounted Cash Flows ("DCF") method was used to determine the total equity value of the Group by capturing the present value of the expected cash flows. Equity allocation model was then used to allocate the total equity value of the Group to different classes of shares of the Company.
Convertible loan notes (Note 2)	$3,743,000	$3,269,000	Binomial Option Pricing Model

Notes:

1. An increase in the revenue growth rate used in isolation would result in an increase in the fair value measurement of the preferred shares, and vice versa, while a slight increase in the discount rate used in isolation would result in a decrease in the fair value measurement of the preferred shares, and vice versa. A 1% (2023: 1%) increase in the discount rate holding all other variables constant would decrease the carry amount of the preferred shares by $0.9 million (2023: $1.4 million) while a 1% (2023: 1%) decrease in the discount rate holding all other variables constant would increase the carry amount of the preferred shares by $1.1 million (2023: $1.6 million). A 1% (2023: 1%) increase in the revenue growth rate holding all other variables constant would increase the carry amount of the preferred shares by $0.6 million (2023: $1.1 million) while a 1% (2023: 1%) decrease in the discount rate holding all other variables constant would decrease the carry amount of the preferred shares by $0.6 million (2023: $1.1 million).

2. A 1% increase in the discount rate used in isolation would result in a minimal decrease in the fair value measurement of the convertible loan notes, and vice versa.

26.5.3 Reconciliation of Level 3 fair value measurements

	At 31 March 2024	At 31 March 2023
	USD	USD
At 1 April	16,729,000	11,619,000
Additions	100,000	3,250,000
Fair value adjustments	(3,727,000)	1,860,000
At 31 March	13,102,000	16,729,000

26.5.4 Financial assets and financial liabilities measured at amortized cost

The financial assets and financial liabilities in the table below are measured at amortized cost. Management believes the carrying amounts of these financial assets and liabilities measured at amortized cost approximate their fair values.

	At 31 March 2024	At 31 March 2023
	USD	USD
Financial assets		
Trade receivables	182,334	289,788
Other receivables	184,018	142
Contract assets	69,354	26,989
Due from a related company	-	41,532
Cash and cash equivalents	76,620	1,183,176
	512,236	1,541,627
Financial liabilities		
Trade payables	788,798	187,584
Other payables	11,057	5,081
Tax payables	8,917	-
Due to related companies	34,579	-
Due to immediate holding company	5,345,929	506
Loan from a related company	1,930,993	2,328,926
Loans from immediate holding company	1,140,931	1.060,713
Lease liabilities	365,356	-
	9,626,560	3,582,809

27 SUBSEQUENT EVENTS

In accordance with IAS 10 "Events after the Reporting Period", which establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued, the Company has evaluated all events or transactions that occurred after the balance sheet date, up through the date the Company issued the financial statements.

- In April 2024, the Company issued 44 shares to an employee via the exercising of vesting employee share options.

- In May 2024, the Group completed an $8.0 million capital raise with its immediate holding company, Rhino Venture, which was settled by advances of cash of $6.1 million and the conversion of loans from immediate holding company of $1.9 million. Upon the completion of the capital raise, the Company allotted 5,086 ordinary shares and 10,172 warrants to Rhino Venture.. Both the ordinary shares and warrants are accounted for as equity instruments under IAS 32 and IFRS 9 and recognized by crediting share capital and warrant reserve, respectively. The warrants have a fair value of $6.7 million and $1.3 million being allocated to share capital with a total value recognized in reserves of $8.0 million. This capital raise triggered an anti-dilution clause in the Articles of Association which resulted in 151 preferred shares being issued to HBM IV, Inc.

- In May 2024, maturity date of the loans from immediate holding company was extended to 30 September 2024. On 29 September 2024, the maturity date was further extended to 30 November 2024.

- On July 15, 2024, Diginex Limited and Diginex Solutions (HK) Limited ("DSL") completed a Transaction pursuant to a share exchange agreement (the "Share Exchange Agreement"), whereby the then existing shareholders of DSL (the "Original Shareholders") transferred all of their shares in DSL to Diginex Limited, in consideration for Diginex Limited's issuance of substantially the same securities to such shareholders in exchange for the securities of DSL held by Original Shareholders (the "Exchange"). Prior to the Exchange there were 16,756 ordinary shares of DSL issued and outstanding, 3,151 preferred shares of DSL issued and outstanding and 10,172 warrants of DSL issued and outstanding. In the Exchange, each of the securities of DSL were exchanged for substantially the same securities of Diginex Limited at an exchange ratio of one (1) ordinary share of DSL for four hundred and ten (410) Ordinary Shares of Diginex Limited , one (1) preferred share of DSL for four hundred and ten (410) Preferred Shares of Diginex Limited and one (1) warrant of DSL for four hundred and ten (410) warrants of Diginex Limited.

  In connection with the Exchange, Diginex Limited and security holders of DSL consummated the following transactions (the "Ancillary Transactions"): (i) Diginex Limited issued $4.35 million new convertible loan notes to certain Original Shareholders in consideration for the cancellation of the then existing convertible loan notes issued by DSL and held by such Original Shareholders; (ii) Diginex Limited granted certain share options under the new share option plan that was adopted by Diginex Limited to the holders of the unexercised share options granted by DSL (the "Original Share Options"), in consideration for the cancellation of the Original Share Options held by such holders. At time of the Exchange there were 629,760 vested but non exercised shares options and unvested share options exercisable for such number of Ordinary Shares equal to 1.3% of the issued and outstanding shares of the Company at the time of vesting and (iii) Diginex Limited granted certain warrants to purchase Ordinary Shares of Diginex Limited to the holders of the then existing warrants to purchase ordinary shares of DSL (the "Original Warrants"), in consideration for the cancellation of the Original Warrants held by such holders. The convertible loan notes will automatically convert into Ordinary Shares of Diginex Limited upon the effectiveness of this registration statement and any unvested share options will automatically vest upon completion of this Offering.

  Accordingly, upon consummation of the Exchange and the Ancillary Transactions (collectively the "Restructuring"), DSL became a wholly owned subsidiary of Diginex Limited, and the prior shareholders of DSL became shareholders of Diginex Limited. The remaining DSL security holders became security holders of Diginex Limited, in that they held Diginex Limited convertible loan notes, share options and warrants. Following, the closing of the Restructuring there is 6,869,961 Ordinary Shares of Diginex Limited issued and outstanding, 1,291,910 preferred shares of Diginex Limited issued and outstanding, 4,179,520 warrants issued and outstanding, $4.35 million new convertible loan notes issued and outstanding and 629,760 vested but non exercised shares options and unvested share options exercisable for such number of Ordinary Shares equal to 1.3% of the issued and outstanding shares of the Company at the time of vesting.

  Following the Restructuring, on July 26, 2024, the Company completed a share subdivision (the "Share Subdivision") such that, the authorized share capital of the Company was revised to be US$50,000 divided into 960,000,000 Ordinary Shares of US$0.00005 par value each and 40,000,000 preferred shares (the "Preferred Shares"), par value US$0.00005 per share. Prior to the Share Subdivision there were 6,869,961 ordinary shares and 1,291,910 preferred shares issued and outstanding, and after the Share Subdivision there are 13,739,922 Ordinary Shares and 2,583,820 Preferred Shares issued and outstanding.

During the Restructuring, a $1 million loan due from DSL to a related company, Diginex Holdings Limited, a company controlled by Rhino Ventures Limited, was converted into a $1 million convertible loan note of which Rhino Ventures Limited holds $517,535 of the principal amount of the convertible loan note and Working Capital Innovation Fund II L.P. holds $482,465 of the principal amount of the convertible loan note. The loan between DSL and Diginex Holdings Limited charged interest at 8% per annum and had a maturity date of December 31, 2024. The terms of the new convertible loan notes also charge interest at 8% per annum and had a maturity date of December 31, 2024. This $1 million convertible loan note forms part of the $4.35 million loan notes issued by Diginex Limited post the Restructuring.

On August 6, 2024 certain Employee Share Option Plan ("ESOP") holders exercised their options and converted their options into Ordinary Shares. 501,840 employee share options were converted into 1,003,680 Ordinary Shares whilst 109,470 employee share options lapsed without being exercised. In addition, 368,826 employee share options were issued on July 31, 2024 with a fair value of $773,723. On August 21, 2024 employee share options were issued to 0.5% of the issued and outstanding shares of the Company at the time of vesting with a fair value of $182,660. The fair value of the options will be expensed on a straight-line basis over the vesting period, or earlier if the vesting period is accelerated by the board of directors, with a corresponding increase in equity (share option reserve). As of the date of these combined financial statements, the remaining employee share options are 41,945 vested but not exercised, 368,826 unvested employee share options and unvested employee share options exercisable for such number of Ordinary Shares equal to 1.7% of the issued and outstanding shares of the Company at the time of vesting and the aggregate fair value of all unvested employee share options is $1.8 million, of which $0.2 million was recognized in the combined statement of profit or loss as of March 31, 2024. Prior to the exercise of 501,840 options on August 6, 2024 there were 13,739,922 Ordinary Shares and 2,583,820 Preferred Shares issued and outstanding, and after such exercise of 501,840 options there are 14,743,602 Ordinary Shares and 2,583,820 Preferred Shares issued and outstanding.

On 30 September 2024, Rhino Ventures, Diginex Solutions (HK) Limited and Diginex Limited entered into an agreement whereby the outstanding loan between Diginex Solutions (HK) Limited and Rhino Ventures will, upon pricing of the Diginex Limited IPO, convert into shares of Diginex Limited. The loan will convert into Diginex Limited shares at the IPO price.