

KLING DIGITAL ASSETS – FZCO
Dubai Silicon Oasis, Dubai, United Arab Emirates
Financial Statement
For the year ended 31st March, 2025

INDEPENDENT AUDITORS' REPORT

To the Shareholder of M/s KLING DIGITAL ASSETS - FZCO, Dubai Silicon Oasis, Dubai, United Arab Emirates.

Report on the Financial Statements

Opinion

We have audited the accompanying annual financial statements of M/S KLING DIGITAL ASSETS - FZCO, Dubai Silicon Oasis, Dubai, United Arab Emirates ("the FZCO") which comprise the statement of financial position as at 31st March, 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31st March, 2025 and a summary of significant accounting policies and other explanatory notes.

The annual financial statements have been prepared by the FZCO's management based on the information available, and in respect of capital work-in-progress, other current assets, cash and cash equivalents, revenue, cost of revenue and administrative expenses.

An independent confirmation from the banks in respect of the (FZCO's) bank account balances related information is still awaited.

Subject to preceding paragraphs, in our opinion, the annual financial statements present fairly, in all material respects, the financial position of M/s KLING DIGITAL ASSETS - FZCO, Dubai Silicon Oasis, Dubai, United Arab Emirates as at 31st March, 2025, and its financial performance and its cash flows for the year ended 31st March, 2025 in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that is free from material misstatement whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimate that are reasonable under the circumstances.

Those charged with governance are responsible for overseeing the FZCO's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the FZCO's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the FZCO's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the FZCO to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirement

As required by the provisions of the Law No. (16) of 2021 by H.H. Ruler of Dubai and Implementing Regulations issued there under by the Dubai Integrated Economic Zones Authority, we further confirm that:

1. We are not aware of any contraventions during the year of the above-mentioned law or the (FZCO's) Articles of Association, which may have material effect on the financial position of the (FZCO) or the result of its operations for the year.

For **NBN AUDITING OF ACCOUNTS**
FAHAD SALEH ALI MOHAMMAD HALL
REGISTRATION NO: 814
DATE:12-MAY-2025



KLING DIGITAL ASSETS - FZCO
Dubai Silicon Oasis, Dubai, United Arab Emirates

Statement of Financial Position
As at 31st March, 2025

	Note	2025 USD
ASSETS		
Non-Current Assets		
Capital work-in-progress		505,944
Total Non-Current Assets		505,944
Current Assets		
Other current assets	3	86,146
Cash and cash equivalents	4	158,870
Total Current Assets		245,016
TOTAL ASSETS		750,960
EQUITY AND LIABILITIES		
Equity		
Share capital	5	315,248
Retained earnings	6	219,126
Shareholders' current account		205,000
Total Equity		739,374
Liabilities		
Current Liabilities		
Other payables		11,586
Total Current Liabilities		-
Total Liabilities		-
TOTAL EQUITY AND LIABILITIES		750,960

The notes on pages 8 to 12 form an integral part of these financial statements.

These financial statements have been approved and signed by the undersigned on 02nd May, 2025.

For KLING DIGITAL ASSETS - FZCO


Authorized Signatory
 The report of the Auditors is set out on pages 1 to 3.



KLING DIGITAL ASSETS - FZCO

Dubai Silicon Oasis, Dubai, United Arab Emirates

Statement of Comprehensive Income

For the year ended 31st March, 2025

	Note	2025 USD
Revenue	7	1,411,086
Cost of revenue	8	(969,084)
Gross profit		442,002
Administrative expenses	9	(211,290)
Operating profit before tax		230,712
Less: Corporate tax expenses		(11,586)
Profit after tax		219,126
Other Comprehensive Income		-
Total comprehensive income for the year		219,126

The notes on pages 8 to 12 form an integral part of these financial statements.

These financial statements have been approved and signed by the undersigned on 02nd May, 2025.

For KLING DIGITAL ASSETS - FZCO

Authorized Signatory

The report of the Auditor is set on pages 1 to 4



KLING DIGITAL ASSETS - FZCO
 Dubai Silicon Oasis, Dubai, United Arab Emirates

Statement of Changes in Equity
For the year ended 31st March, 2025

	Share capital USD	Retained earnings USD	Shareholders' current account USD	Total USD
As at 01st April, 2024	27,248	-	-	27,248
Total comprehensive income for the year	-	219,126	-	219,126
Net movement during the year	288,000	-	205,000	493,000
Balance at 31st March, 2025	315,248	219,126	205,000	739,374

The notes on pages 8 to 12 form an integral part of these financial statements.

These financial statements have been approved and signed by the undersigned on 02nd May, 2025.

For KLING DIGITAL ASSETS - FZCO


 Authorized Signatory



The report of the Auditors is set on pages



KLING DIGITAL ASSETS - FZCO

Dubai Silicon Oasis, Dubai, United Arab Emirates

Notes to the Financial Statements

For the year ended 31st March, 2025

1 Legal status and activities

M/s **KLING DIGITAL ASSETS - FZCO** was registered in Dubai Silicon Oasis, Dubai on 08th September, 2022 under License Number 20472 as a Free Zone Company with limited liability pursuant to the Law No. (16) of 2021 by H.H. Ruler of Dubai and Implementing Regulations issued there under by the Dubai Integrated Economic Zones Authority. The registered address of the FZCO is DSO-IFZA, IFZA Properties, Dubai Silicon Oasis, Dubai, United Arab Emirates.

The FZCO's licensed activities are Information Technology Consultants and Portal.

The FZCO is being managed by Mr. Krishna Mohan Meenavalli, an Indian national.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB). The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts in the financial statements.

2.2 Accounting convention

These financial statements have been prepared on a going concern basis applying the historical cost convention. The fair / net realizable value concept of measurement of assets and liabilities has also been applied wherever applicable under (IFRSs).

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 FZCO takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. (IFRS 13)

2.3 Property, plant and equipment

Property, plant and equipments are stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as an asset only when it is probable that future economic benefits associated with the asset will flow to the company and the cost of an asset can be measured reliably. The carrying amounts of replaced parts are derecognised. All other repair and maintenance costs are charged to the profit or loss during the financial period in which they are incurred.

2.4 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined using the first in first out (FIFO) method. The cost of finished goods and work in progress comprises raw materials, consumables, spare parts, direct labour and materials and related overhead(based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and costs necessary to make the sale.

Provision is made for slow moving and obsolete items based on management's judgement. The amount of any write down of inventory to net realisable value and all losses of inventories are recognised as an expense in the period write down or loss occurred. The amount of any reversal of any write down of inventories, arising from an increasing in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurred.

KLING DIGITAL ASSETS - FZCO

Dubai Silicon Oasis, Dubai, United Arab Emirates

Notes to the Financial Statements For the year ended 31st March, 2025

2.5 Accounts and other receivables

Accounts receivable are stated at original invoice amount less a provision for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when there is no possibility of recovery. Other receivable that have fixed or determinable payments that are not quoted in an active market are classified as other receivables. Prepayments are carried at cost less any accumulated impairment losses.

2.6 Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

2.7 Accounts payable and accruals

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

2.8 Provisions

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost.

2.9 Revenue recognition

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduce a 5 step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under IFRS 15, an entity recognises when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

Sales of goods

Sale of goods are recognised when the control of the products are transferred to the customers, which generally coincides with the actual delivery of goods. Delivery does not occur unless the products have been received by the customer. The FZCO has concluded that revenue from sale of goods should be recognised at the point in time on delivery of the goods. Therefore, the adoption of IFRS 15 did not have any significant impact on the timing of revenue recognition and the amount of revenue to be recognised.

Rendering of services

Revenue from rendering of services are recognised when the services have been rendered and the outcome of the transactions can be estimated reliably. Customers are invoiced on a monthly basis and consideration is payable when invoiced. The FZCO does not expect to have any contracts where the period between the transfer of the promised goods or services to the customers and payment by the customers exceeds one period.

Rental income

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the FZCO and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable.

Other income

Other income is recognised when it is probable that the economic benefit will flow to the FZCO and the amount of income can be measured reliably.

KLING DIGITAL ASSETS - FZCO

Dubai Silicon Oasis, Dubai, United Arab Emirates

Notes to the Financial Statements For the year ended 31st March, 2025

3	Cash and cash equivalents	2025 USD
	Cash at bank	245,016
		245,016

4 Share capital

In accordance with the Article of Association of the FZCO, the authorised capital and number of ordinary shares are as follows:

	2025 Number of shares	Total AED
ISSUED CAPITAL		
Ordinary Shares of AED 1,000/- each	1,159	1,159,000
PAID-UP CAPITAL		
Ordinary Shares of AED 1,000/- each, fully paid up	1,159	1,159,000

Terms and rights attached to ordinary shares

Each ordinary share have face value of AED 1,000/- and carry one vote per share.

Equivalent to USD 315,248

Reconciliation of the Number of shares outstanding at the beginning and at the end of Reporting year are as follows:

	2025 Number of Shares	AED
Shares outstanding at the beginning of the reporting year	100	100,000
Add:- Shares issued during the reporting year	1,059	1,059,000
Shares outstanding at the end of the reporting year	1,159	1,159,000

Shareholding

	2025 Number of shares	% Holding
Name	Nationality	
1. M/S. String Metaverse Limited	-	91.37%
2. Mr. Krishna Mohan Meenavalli	India	8.63%
Total	1,159	100%

KLING DIGITAL ASSETS - FZCO

Dubai Silicon Oasis, Dubai, United Arab Emirates

Notes to the Financial Statements For the year ended 31st March, 2025

5	Retained earnings		
		2025	
		USD	
	Opening balance for the year	-	
	Profit for the year	219,126	
	Closing balance for the year	219,126	
6	Revenue		
		2025	
		USD	
	Income From Gaming/Ads	1,184,496	
	Income From IT Services	226,590	
		1,411,086	
7	Cost of revenue		
		2025	
		USD	
	Cost of revenue	969,084	
		969,084	
8	Administrative expenses		
		2025	
		USD	
	Legal, license and professional expenses	102,043	
	Salaries and other benefits	107,700	
	Bank charges	1,547	
		211,290	

9 Corporate Tax

On March 09, 2022, the Ministry of Finance in the UAE issued Federal Decree- Law No 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law, CT) in the UAE regime, marking a significant milestone as it sets a general corporate income tax for the first time.

The Corporate Tax (CT) Law takes effect for financial years beginning on or after June 1, 2023. Cabinet of Ministers Decision No. 116 of 2022 provides clear guidelines, establishing a 9% tax rate on income exceeding USD 375,000 and a 0% rate on qualifying income for free zone entities. Accordingly, the law is now substantively enacted for accounting purposes.

KLING DIGITAL ASSETS - FZCO **Dubai Silicon Oasis, Dubai, United Arab Emirates**

Notes to the Financial Statements **For the year ended 31st March, 2025**

10 Financial instruments

Risk Management

The main risks arising from the FZCO's financial instruments are market risk, interest rate risk, foreign currency risk, liquidity risk, credit risk and capital management risk. No changes were made in the risk management objectives and policies during the year ended 31st March, 2025. The management of the FZCO reviews and agrees policies for managing each of these risks which are summarized below.

a). Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market price whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. The FZCO is exposed to market risk through its use of financial instruments and specifically to currency risk and interest rate risk, which result from its operating activities.

i). Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The FZCO has no significant currency risk exposure from its operations as majority of the FZCO's transactions are in UAE Dirham or US Dollars, hence, the FZCO's exposure to the risk of changes in foreign exchange rates is limited.

ii). Interest rate risk

Significant financial instruments, other assets and other liabilities of the FZCO as at 31st March, 2025 are not interest based.

b). Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to financial loss.

c). Liquidity risk

Liquidity risk also referred to as funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitment associated with financial instruments. Liquidity risk may result from an inability to sell a financial assets quickly at close to its fair value.

11 Comparative figures

This is the first year of audit of the FZCO for the year ended 31st March, 2025 and the comparative figures are unavailable. Figures have been rounded off to nearest USD 1/-.

The notes on pages 8 to 12 form an integral part of these financial statements.

These financial statements have been approved and signed by the undersigned on 02nd May, 2025.

For KLING DIGITAL ASSETS - FZCO


 Authorized Signatory

 The report of the Auditors is set out on pages 1 to 3.
