

**MOTHERSON TECHNOLOGY SERVICES USA LIMITED
(Erstwhile MSID U.S., INC)**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026 &
FOR THE YEAR ENDED MARCH 31, 2025**

(AUDIT)

INDEPENDENT AUDITOR'S REPORT



Certified Public Accountants

**MOTHERSON TECHNOLOGY SERVICES USA LIMITED
(Erstwhile MSID U.S., INC)**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026 &
FOR THE YEAR ENDED MARCH 31, 2025**

(AUDIT)

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Certified Public Accountants



Certified Public Accountants

115B Broadway, Suite 1, Hicksville, NY 11801
Phone: (516) 513 0091; (212) 290 2497 Fax: (212) 591 6975

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Motherson Technology Services USA Limited.
18 E 41St Street, 17th Floor
New York, NY 10016

We have audited the accompanying financial statements of Motherson Technology Services USA Limited (erstwhile MSID U.S., INC.) (the "Company"), which comprise the balance sheet as of March 31, 2026 & March 31, 2025, and the related statements of income, retained earnings, and cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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 Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the entity as of March 31, 2026 & March 31, 2025 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in green ink, appearing to read "G. K. B. [unclear]".

CERTIFIED PUBLIC ACCOUNTANTS

Hicksville, NY

May 04, 2026

MOTHERSON TECHNOLOGY SERVICES USA LIMITED
(Erstwhile MSID U.S., INC)

BALANCE SHEET

| <i>As on</i> | March 31, 2026 | | March 31, 2025 | |
|---|-----------------------|-------------------------|-----------------------|-------------------------|
| <u>ASSETS</u> | | | | |
| CURRENT ASSETS | | | | |
| Cash & cash equivalents | \$ | 581,741 | \$ | 307,295 |
| Accounts receivable | \$ | 846,307 | \$ | 1,168,435 |
| Less: Provision for doubtful debts | \$ | <u>115,123</u> | \$ | <u>117,599</u> |
| | | 731,184 | | 1,050,836 |
| Other Loan & Advances | \$ | 884,056 | \$ | 841,404 |
| Less: Provision for doubtful advances | \$ | <u>884,056</u> | \$ | <u>841,404</u> |
| | | - | | - |
| Prepaid Expenses | \$ | 14,248 | \$ | 26,625 |
| Security Deposit | | 4,855 | | 4,855 |
| Prepaid Taxes | | 52,398 | | 52,398 |
| Work in Progress | | 212,688 | | 106,709 |
| | \$ | <u>1,597,114</u> | \$ | <u>1,548,718</u> |
| FIXED ASSETS | | | | |
| Computer Networking Equipments | \$ | 111,602 | \$ | 111,602 |
| Less: Depreciation | | <u>111,602</u> | | <u>111,602</u> |
| Net | \$ | <u>-</u> | \$ | <u>-</u> |
| Right of Use of Assets under ASC 842 | \$ | 185,042 | \$ | 185,042 |
| Less: Amortisation of Right of Use of Assets | | <u>92,520</u> | | <u>30,840</u> |
| Net | \$ | <u>92,522</u> | \$ | <u>154,202</u> |
| Deferred Tax Assets | \$ | 55,868 | \$ | 91,698 |
| TOTAL ASSETS | \$ | <u>1,745,504</u> | \$ | <u>1,794,618</u> |
| <u>LIABILITIES AND STOCKHOLDER'S EQUITY</u> | | | | |
| CURRENT LIABILITIES | | | | |
| Accounts payable Group Companies | \$ | 831,596 | \$ | 823,385 |
| Accounts payable Other | | 251,804 | | 465,415 |
| Accrued expenses & taxes | | 512,863 | | 395,156 |
| Lease Liability under ASC 842 | | 64,942 | | 55,022 |
| Interest Payable | | 309,025 | | 230,792 |
| ICD Received - Motherson Technology | | | | |
| Services UK Limited | | 1,340,000 | | 1,340,000 |
| Deferred Revenue | | 4,080 | | 24,487 |
| | \$ | <u>3,314,310</u> | \$ | <u>3,334,257</u> |
| Lease Liability under ASC 842 | | | | |
| Non Current | \$ | 43,761 | \$ | 108,703 |
| Total Liabilities | \$ | <u>3,358,071</u> | \$ | <u>3,442,960</u> |
| LEASEHOLD COMMITMENTS | | | | |
| STOCKHOLDER'S EQUITY | | | | |
| Capital Stock-Authorized, Issued and Outstanding | \$ | 1,000 | \$ | 1,000 |
| Retained Earnings | \$ | <u>(1,613,567)</u> | \$ | <u>(1,649,342)</u> |
| Total Shareholders' Equity | | <u>(1,612,567)</u> | | <u>(1,648,342)</u> |
| TOTAL LIABILITIES & STOCKHOLDER'S EQUITY | \$ | <u>1,745,504</u> | \$ | <u>1,794,618</u> |

See Independent auditor's report and accompanying notes to financial statements

MOTHERSON TECHNOLOGY SERVICES USA LIMITED
(Erstwhile MSID U.S., INC)

STATEMENT OF INCOME AND RETAINED EARNINGS

| <i>For the year ended</i> | March 31, 2026 | March 31, 2025 |
|--|-----------------------|-----------------------|
| <u>INCOME</u> | | |
| Sales & Service | \$ 5,675,621 | \$ 6,162,628 |
| Less: Cost of Sales & Service | | |
| Software Development and support charges | \$ 4,482,182 | \$ 4,831,019 |
| Operating profit | \$ 1,193,439 | \$ 1,331,609 |
| Other Misc. Receipts | \$ 42,652 | \$ 11,670 |
| Total Income | \$ 1,236,091 | \$ 1,343,279 |
| <u>SELLING, GENERAL & ADMINISTRATIVE EXPENSES</u> | | |
| Selling, Administration and Selling Expenses | \$ 1,058,221 | \$ 1,247,122 |
| Total operating expenses | \$ 1,058,221 | \$ 1,247,122 |
| Profit from Operation before Depreciation & Taxes | 177,870 | 96,157 |
| Depreciation and amortization | \$ 61,680 | \$ 60,778 |
| Profit from Operation before Taxes | 116,190 | 35,379 |
| Provision for income taxes and deferred Tax | \$ 80,415 | \$ 8,264 |
| Profit after income taxes | 35,775 | 27,115 |
| Retained earnings - beginning | \$ (1,649,342) | \$ (1,676,457) |
| Retained earnings - ending | \$ (1,613,567) | \$ (1,649,342) |

See Independent auditor's report and accompanying notes to financial statements.

MOTHERSON TECHNOLOGY SERVICES USA LIMITED
(Erstwhile MSID U.S., INC)

STATEMENT OF CASH FLOWS

| <i>For the year ended</i> | March 31, 2026 | March 31, 2025 |
|--|-----------------------|-----------------------|
| Cash flows from operating activities | | |
| Net Profit from operations | \$ 35,775 | \$ 27,115 |
| Adjustments to reconcile net profit to net cash used in operating activities: | | |
| Depreciation and amortization | | |
| Increase (decrease) in cash flows as a result of changes in asset and liability account balances: | | |
| Accounts receivable | 319,652 | (168,240) |
| Sundry creditors | (205,400) | (77,592) |
| Prepaid Taxes and expenses | 12,377 | (14,081) |
| Accrued expenses and taxes | 117,707 | 245,858 |
| Work in Progress | (105,979) | 3,753 |
| Deferred Revenue | (20,407) | 21,087 |
| Increase in interest payable | 78,233 | 119,194 |
| ROU Asset | 61,680 | (124,264) |
| Lease liability (Current) | 9,920 | 24,557 |
| Lease Liability (Non Current) | (64,942) | 108,703 |
| Deferred Taxes | 35,830 | (29,275) |
| Cash flows from operating activities | \$ 274,446 | \$ 136,815 |
| - | | |
| Net Increase (Decrease) In Cash And Cash | | |
| Equivalents: | | |
| | \$ 274,446 | \$ 136,815 |
| Cash/ cash equivalent at beginning of year | \$ 307,295 | \$ 170,480 |
| Cash/ cash equivalent at end of year | \$ 581,741 | \$ 307,295 |
| Other Financial Information: | | |
| Taxes Paid | \$ 35,380 | \$ 2,643 |
| Interest Paid | \$ - | \$ - |

See Independent auditor's report and accompanying notes to financial statement

**MOTHERSON TECHNOLOGY SERVICES USA LIMITED
(Erstwhile MSID U.S., INC)**

NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED MARCH 31, 2026 AND
FOR THE YEAR ENDED MARCH 31, 2025**

NOTE 1 - NATURE OF BUSINESS

Motherson Technology Services USA Limited (erstwhile MSID U.S., INC.) (The "Company") was incorporated in the State of New York on October 5, 2006. Effective date of name change from MSID US INC, to Motherson Technology Services USA Limited on June 21, 2022. The Company is a wholly owned subsidiary of Motherson Technology Services Limited (erstwhile Motherson Sumi Infotech & Designs Limited), India, which is a company registered with The Registrar of Companies, Mumbai, India.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Presentation:

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The Company is on an accrual basis of accounting.

Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those Estimates.

Cash Equivalents:

Cash and cash equivalents include short-term, highly liquid investments with an original maturity date of three months or less.

Fair Value of Financial Instruments:

The carrying amounts of deposits with financial institutions, accounts receivable, accounts payable, loans and advances, accrued expenses, and taxes approximate fair value because of these items' short maturity.

Leases

Operating leases are included in operating lease right-of-use ("ROU") assets, other current liabilities, and operating lease liabilities in our consolidated balance sheets. ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of our leases do not provide an implicit rate, we generally use our incremental borrowing rate based on the estimated rate of interest for collateralized borrowing over a similar term of the lease payments at commencement date. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The company does not recognize ROU assets or lease liabilities for lease with a term of 12 months or less for any asset classes.

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts Receivable (Net of Reserves) as of March 31, 2026, and March 31, 2025 pertains to net trade receivable from Customers at \$731,184 and \$1,050,836 (as reported in the audit report), respectively.

The Provision for Doubtful Debts excludes a provision of \$ 778,000 made against ICD being considered other loans and advances.

See Independent auditor's report and accompanying notes to financial statement

**MOTHERSON TECHNOLOGY SERVICES USA LIMITED
(Erstwhile MSID U.S., INC)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 AND

FOR THE YEAR ENDED MARCH 31, 2025

NOTE 4 – NATURE OF TRANSACTIONS WITH RELATED PARTIES:

Trading Transactions: During the year under review, the Parent Company, Motherson Technology Services Limited India provided \$1,253,340 sales and services to its subsidiary Company Motherson Technology Services USA Limited with an amount payable of \$897,509 to the Parent Company as on March 31, 2026.

Motherson Technology Services US has given Inter Corporate Deposits (ICD) to SMI Consulting Technologies Inc. for \$778,000. The interest accrued on the said loan as on March 31, 2026 is \$106,056. As the loan has been impaired, the interest receivable for the year ended March 31, 2026 being \$42,652 is considered bad and written off to the Profit and loss as Bad debts.

NOTE 5 - LOAN PAYABLE:

The Company entered into a Borrowing Agreement with Motherson Technology Services United Kingdom Limited (A related Company), to borrow up to \$ 2,200,000 for working capital per terms and conditions per Agreement dated February 25, 2022 and January 24, 2023. The rate of interest is 3.83% above SOFR up to 17-03-2025 which is revised to 1.21% above SOFR from 18-03-2025 and 4.97% above SOFR till 25th October 2025, which is revised to 1.4% above SOFR. Interest is payable at the time of repayment of loan. As of March 31, 2026, Company owes \$1,340,000.

NOTE 6 - INCOME TAXES:

The Company files Federal, State, and Local Income Tax Returns on a standalone basis. The Income Tax expense attributable to the current year operations includes the Federal, State, and Local income tax.

NOTE 7 - LEASEHOLD COMMITMENT

The Company maintains a corporate office at 1101 Perimeter Drive, Suite 650, Schaumburg. Rent is \$62,906 for the year ending March 31, 2026.

The Company has operating leases for corporate offices. The lease has a non-cancellable remaining term of 1 year to 3 years.

The components of lease expenses were as follows:

| | 2025-26 |
|------------------------|----------------|
| ROU Amortization | \$ 61,680 |
| Lease Interest Accrued | \$ 13,920 |

Supplemental cash flow information related to operating lease as follows :

Cash paid for amounts included in measurement of lease liabilities:

| | 2025 |
|--|-------------|
| Operating cash outflows for operating leases | \$68,943 |

See Independent auditor's report and accompanying notes to financial statement

**MOTHERSON TECHNOLOGY SERVICES USA LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED MARCH 31, 2026 AND
FOR THE YEAR ENDED MARCH 31, 2025**

Supplemental balance sheet information related to operating leases was as follows:

| | |
|--------------------------------------|---------------------|
| Operating leases Right of use assets | \$ 92,520 |
| Other current liabilities | \$ 64,942 |
| Operating lease liabilities | \$ 43,761 |
| Remaining lease of Term | 1 year and 6 months |
| Discount rate | 10.00 % |

Maturity Analysis (Operating Lease):

| Description | Year | Cash | Interest | Liability reduction |
|----------------|----------|-------------------|-----------------|---------------------|
| Building lease | 2026 -27 | \$ 72,912 | \$ 7,970 | \$ 64,942 |
| Building lease | 2027 -28 | \$ 45,046 | \$ 1,285 | \$ 43,761 |
| Total | | \$ 117,958 | \$ 9,255 | \$ 108,703 |

Maturity Analysis (Operating Lease) – Building

Maturity Analysis (Operating Lease) - Building

| Description | March 31, 2026 | March 31, 2025 |
|--|----------------|----------------|
| Not later than 1 year | \$ 64,942 | \$ 55,022 |
| Later than 1 year but not later than 5 years | \$ 43,761 | \$ 108,703 |

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MOTHERSON TECHNOLOGY SERVICES USA LIMITED
(Erstwhile MSID U.S., INC)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 AND
FOR THE YEAR ENDED MARCH 31, 2025

Schedule of Cost of Services

| <i>For the year ended</i> | March 31, 2026 | March 31, 2025 |
|---------------------------|-----------------------|-----------------------|
| Cost of Services | \$ 2,783,038 | \$ 3,183,313 |
| Direct Salary | \$ 1,699,144 | \$ 1,647,706 |
| Cost of Sales | \$ 4,482,182 | \$ 4,831,019 |

Schedule of Selling, General and Administrative Expenses

| <i>For the year ended</i> | March 31, 2026 | March 31, 2025 |
|---|-----------------------|-----------------------|
| Salaries | \$ 570,474 | \$ 542,237 |
| Conference & Seminars (Business Promotion | 110,506 | 30,987 |
| Interest expenses on ICD | 78,233 | 119,194 |
| Professional fees | 68,824 | 394,261 |
| Office Rent | 70,169 | 63,570 |
| Travel and entertainment | 62,987 | 56,328 |
| Doubtful debts | 40,177 | 2,812 |
| Staff Welfare and Visa Cost | 36,340 | 6,107 |
| Insurance | 24,138 | 20,933 |
| Interest on lease liability ASC 842 | 13,920 | 9,657 |
| Audit Fees | 14,450 | 12,000 |
| Subscription & Membership | 10,337 | 9,334 |
| Office Expenses | 7,536 | 4,366 |
| Exchange (Gain)/Loss | 5,817 | 818 |
| Rates and taxes | 5,414 | 945 |
| Bank charges | 4,242 | 3,639 |
| Telephone and Internet expenses | 3,600 | 4,974 |
| Recruitment Cost | - | 26,400 |
| Lease Rent Reversal ASC 842 | (68,943) | (61,439) |
| Total | \$ 1,058,221 | \$ 1,247,122 |

See Independent auditor's report and accompanying notes to financial statement