N R KRISHNAMOORTHY & CO
CHARTERED ACCOUNTANTS

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BG2, Guru Parasakthi Apartments,
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Nanganallur, Chennai - 600 061
India

Ref. :

Date :

SPECIAL PURPOSE AUDIT REPORT

Report on the Audit of the Special Purpose Consolidated Financial Statements Opinion

We have audited the Special Purpose Consolidated IGAAP Financial Statements of M/s. Methodhub Consulting Inc (USA) (formerly known as M/s. CareAI Cloud Inc), ("the Company") and its Subsidiary M/s. Zortech Solutions Inc, Canada and Step down Subsidiary M/s. Zortech Solutions Inc, USA', which comprise the balance sheet as at March 31, 2025, and the statement of Profit and Loss and the statement of cash flows for the period from 1st April 2024 to 31st March 2025 and notes to the Special Purpose Consolidated IGAAP Financial Statements , including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Special Purpose Consolidated IGAAP Financial Statements ") as required by Accounting Standards notified under the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Consolidated IGAAP Financial Statements are prepared in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, and of the profit and its cash flows for the period April 2024 to March 2025.

Basis for Opinion

We conducted our audit of the Special Purpose Consolidated IGAAP Financial Statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013 (-the Act"). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Special Purpose Consolidated IGAAP Financial Statements ' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Special Purpose Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to

N R KRISHNAMOORTHY & CO
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Emphasis of Matter Paragraph

We draw attention to Notes to the Special Purpose Consolidated IGAAP Financial Statements, which describes the purpose and basis of accounting. The Special Purpose Consolidated IGAAP Financial Statements have been prepared by the Company solely to assist M/s. Methodhub Consulting Inc, (USA) for its consolidation purpose and to comply with the requirements under Special Purpose reporting. As a result, the Special Purpose Consolidated IGAAP Financial Statements may not be suitable for another purpose. Our report is intended solely for the use of management and Board of Directors for the above purpose and should not be distributed to or used by any other parties. As a result, the Special Purpose Consolidated IGAAP Financial Statements may not be suitable for any another purpose and are not financial statements prepared pursuant to any requirements under section 129 of the Companies Act, 2013. The Special Purpose Consolidated IGAAP Financial Statements cannot be referred to or distributed or included in any offering document or used for any other purpose except with our prior consent in writing. Our report is intended solely for the purpose of preparation of the Restated Consolidated Financial Statements of parent company and to comply with SEBI Communication and is not to be used, referred to or distributed for any other purpose without our prior written consent. We have no responsibility to update this report after for events and circumstances occurring after the date of this report. Our opinion is not modified in respect of this matter.

Responsibilities of the Management for Special Purpose Consolidated IGAAP Financial Statements

The Company's management and Board of Directors are responsible for preparation of Special Purpose Consolidated IGAAP Financial Statements that gives a true and fair view of the state of affairs, financial position, financial performance and cash flows of the Company in accordance with the basis of preparation as set out in Notes to the Special Purpose Consolidated IGAAP Financial Statements.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error,

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In preparing the Special Purpose Consolidated IGAAP Financial Statements, Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Special Purpose Consolidated IGAAP Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose Consolidated IGAAP 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 SAs 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 on the basis of these Special Purpose Consolidated IGAAP Financial Statements.

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

(a) Identify and assess the risks of material misstatement of the Special Purpose Consolidated IGAAP 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.

(b) 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 entity's internal control.

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Chartered Accountants
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(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures Special Purpose Consolidated IGAAP Financial Statements made by management.

(d) 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in Special Purpose Consolidated IGAAP 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 auditors' report. However, future events or conditions may cause the Company to cease to continues a going concern; and

(e) Evaluate the overall presentation, structure and content of the Special Purpose Consolidated IGAAP Financial Statements, including the disclosures, and whether the Special Purpose Consolidated IGAAP 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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Chartered Accountants
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Restriction on distribution or use

This report is intended solely for the information of the Company's board of directors for their internal use and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, the Company's board of directors, for our audit work, for this report, or the opinions we have formed.

For N R Krishnamoorthy & Co
Chartered Accountants
FRN: 001492S

N R KRISHNAMOORTHY & CO
Chartered Accountants
CHENNAI

N R Krishnamoorthy, FCA
Partner
Membership No: 020638
UDIN: 25020638BMLCCL3503

Place: Chennai
Date: 16.07.2025

METHODHUB CONSULTING INC
(Formerly known as CareAI Cloud Inc)
8, The Green A Ste Dover DE, USA 19901
Consolidated Balance Sheet as at 31st March, 2025

(In Rs '000)

	PARTICULARS	Notes	As at 31st March 2025
I.	**EQUITY AND LIABILITIES**		
1	**Shareholders' Funds**		
	(a) Share Capital	2	8
	(b) Reserves and Surplus	3	49,770
	(c) Minority Interest		9,438
2	**Non Current Liabilities**		
	(a)Long-term Borrowings	4	35,210
	(b)Deferred Tax Liabilities (Net)		-
	(c)Long Term Provisions		-
3	**Current Liabilities**		
	(a) Short term Borrowings	5	80,949
	(b) Trade Payables		
	(i) Total Outstanding dues of Micro Enterprises and Small Enterprises	6	-
	(ii)Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		25,581
	(c) Other current liabilities	7	83,236
	(d) Short-term Provisions		-
	TOTAL		**2,84,194**
II	**ASSETS**		
1.	**Non-current assets**		
	(a) Property, Plant and Equipment and Intangible Assets		
	(i) Property, Plant and Equipment		240
	(ii) Goodwill on Consolidation		56,098
	(b) Non-Current Investments		-
	(c) Other Non Current Assets	8	4,733
2.	**Current assets**		
	(a) Inventories		-
	(b) Trade Receivables	9	1,96,172
	(c) Cash and Cash Equivalents	10	6,554
	(d) Short-Term Loans and Advances	11	4,818
	(e) Other Current Assets	12	15,579
	TOTAL		**2,84,194**

The Accompanying Significant Accounting Policies and Notes to Standalone Financial Statements are an Integral part of the Financial Statements.

As per our Report of Even date
For N R KRISHNAMOORTHY & CO
Chartered Accountants
FRN: 001492S

N R KRISHNAMOORTHY & CO. Chartered Accountants CHENNAI

N R Krishnamoorthy
Partner
Membership No. 020638

UDIN: 25020638BMLCCL3503

Date: 16-07-2025
Place: Chennai

For and on behalf of the Board of Directors
Methodhub Consulting Inc

Ahobilam Nagasundaram
Director

Christopher Kuhn
Director

METHODHUB CONSULTING INC
(Formerly known as CareAI Cloud Inc)
8, The Green A Ste Dover DE, USA 19901
Consolidated Statement of Profit and Loss for the Year ended 31st March 2025

(In Rs. '000)

	Particulars	Notes	For the year ended 31st March 2025
I.	**INCOME**		
	Revenue from Operations	13	7,43,464
	Other Income		-
	Total Income		**7,43,464**
II.	**EXPENSES**		
	Direct Cost	14	6,37,754
	Changes in Inventory - Work in Progress		-
	Employee Benefits Expense	15	22,541
	Finance Cost	16	16,259
	Depreciation and Amortization Expense		61
	Other Expenses	17	19,122
	Total Expenses		**6,95,737**
III.	**Profit before Exceptional and Extraordinary items and Tax**		**47,727**
	Exceptional and Extraordinary Items		-
IV.	**Profit before tax**		**47,727**
V.	**Tax expense:**		
	Current Tax		-
	Deferred Tax		-
VI.	**Profit after tax before minority interest**		**47,727**
VII.	Share of Profit/(Loss) Attributable to Minority Interest		(2,057)
VIII.	**Dividends:**		
	Less: Preference Dividend		0
	Profit after tax		**49,784**

The Accompanying Significant Accounting Policies and Notes to Standalone Financial Statements are an Integral part of the Financial Statements.

As per our Report of Even date
For N R KRISHNAMOORTHY & CO
Chartered Accountants
FRN: 001492S

N R KRISHNAMOORTHY & CO. CHENNAI
Chartered Accountants

N R Krishnamoorthy
Partner
Membership No. 020638
UDIN: 25020638BMLCCL3503
Date: 16-07-2025
Place: Chennai

For and on behalf of the Board of Directors
Methodhub Consulting Inc

Ahobilam Nagasundaram
Director

Christopher Kuhn
Director

METHODHUB CONSULTING INC
(Formerly known as CareAI Cloud Inc)
8, The Green A Ste Dover DE 19901
Consolidated Cash flow statement

(In Rs. '000)

Particulars	For the year ended 31st March 2025
Cash Flow from operating activities	
Profit before tax	49,784
Adjustments:	
Depreciation and amortization	61
Interest on Deposits	-
Minority Interest	9,438
Write Back	-
Interest Expenses	16,259
	75,543
Adjustments:	
(Increase)/decrease in Inventories	-
(Increase)/decrease in Trade receivables	(1,96,172)
(Increase)/decrease in Short Term Loans and Advances	(20,396)
Increase/(decrease) in Trade payables	25,581
Increase/(decrease) in Short Term Borrowing	80,949
Increase/(decrease) in Provisions	-
Increase/(decrease) in Other Current Liabilities	83,236
Cash generated from operations	48,740
Income taxes paid (Net of deferred tax)	-
Net cash provided/(used) by operating activities	48,740
Cash flow from investing activities	
Purchase of Property, Plant and Equipment and Intangible Asset	(301)
Investment in Wholly Owned Subsidiary	(56,098)
Interest on Deposits	-
Increase/(decrease) in Non-current investments	-
Net cash provided/(used) by investing activities	(56,399)
Cash flow from financing activities	
Proceeds from Issue of Equity Shares	8
Proceeds from Issue of Preference Shares	-
Securities Premium on Issue of Shares (Net of Issue Expenses)	-
Write Back	-
Finance cost paid	(16,259)
(Increase)/decrease in Other Non-Current Assets	(4,733)
Increase/(decrease) in Non-Current Liabilities	35,210
Net cash provided/(used) by financing activities	14,227
Net increase/(decrease) in cash and cash equivalents	6,568
Cash and Cash equivalents at the beginning of the Year	(14)
Cash and Cash equivalents at the end of the Year	6,554

Notes to Cash Flow Statement

a. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 (AS -3) on Cash Flow Statements

b. Cash and Cash Equivalents Comprises of

	2024-25
Balances with Banks	
In Current Account	6,554
Cash on Hand	-
Cash and Cash Equivalents in Cash Flow Statement	**6,554**

As per our Report of Even date
For N R KRISHNAMOORTHY & CO
Chartered Accountants
FRN: 001492S

N R KRISHNAMOORTHY & CO
Chartered Accountants
CHENNAI

N R Krishnamoorthy
Partner
Membership No. 020638
UDIN: 25020638BMELCL3503
Date: 16-07-2025
Place: Chennai

For and on behalf of the Board of Directors
Methodhub Consulting Inc

Ahobilam Nagasundaram
Director

Christopher Kuhn
Director

METHODHUB CONSULTING INC

(Formerly known as CareAI Cloud Inc)

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS AS AT & FOR THE YEAR ENDED 31ST MARCH 2025

ı Rs. '000 except share data

2	**Share Capital:**	**As at 31st March 2025**
	(i)Authorised Share Capital	
	1000 Common share of USD 0.1 each (converted into INR)	8
	(ii)Issued, Subscribed, and Fully paid up Share Capital	
	a) Equity Shares of USD 0.1	
	1000 Common share of USD 0.1 each (converted into INR)	8
	Total	**8**

iii) Reconciliation of the No. of shares outstanding at the beginning and at the end of the Year

Particulars	As at 31st March 2025	
Equity Shares of USD 0.1/- each Fully Paid-up (Converted into INR)	**No. of Share**	**Amount (Rs.)**
Outstanding at the beginning of the Year	1,000	8
Issued during the Year	-	
Closing Number of Outstanding Shares	1,000	8

iv) Shares in the Company held by Each Shareholder holding more than 5% Shares

Particulars	As at 31st March 2025	
	Number of shares held	**% holding in that class of shares**
Equity Shares of USD 0.1/- each Fully Paid-up		
Methodhub Software Ltd	1,000	100%

is) Reconciliation of the No. of shares outstanding at the beginning and at the end of the Year

3	**Reserves and Surplus:**	**As at 31st March 2025**
I)	**Surplus**	
	Balance in the statement of Profit and Loss at the beginning of the year	(14)
	Less : Capitalization of reserves by issue of Bonus shares	-
	Profit for the year	49,784
	Balance at the end of the Year	**49,770**

4	**Long-Term Borrowings**	**As at 31st March 2025**
	Unsecured	
a)	**Term Loans**	
	- From Bank	1,823
b)	**Other Loans and Advances**	
	-From Others	-
	Loans and advances from related parties- Director	33,388
	Total	**35,210**

5	**Short Term Borrowings**	**As at 31st March 2025**
	Loans Repayable on Demand	
	Unsecured	
	Current Maturity of Long Term Debt	-
	From Other Parties	80,949
	Total	**80,949**

6	**Trade Payables**	**As at 31st March 2025**
	Due to -	
	(a) Total outstanding due of Micro and Small Enterprises	-
	(b) Others	25,581
	Total	**25,581**

Trade Payables Ageing Schedule as at 31st March,2025

Sl. No.	Particulars	Outstanding for following periods from due date
		Less than 1 year
(i)	MSME	-
(ii)	Others	25,581
(iii)	Disputed dues - MSME	-
(iv)	Disputed dues - Others	-

Note: There are no due exceeding a period of more than 1 year

N R KRISHNAMOORTHY & CO. Chartered Accountants CHENNAI

METHODHUB CONSULTING INC

(Formerly known as CareAI Cloud Inc)

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS AS AT & FOR THE YEAR ENDED 31ST MARCH 2025

1 Rs. '000 except share data

7	Other Current Liabilities	As at 31st March 2025
	Statutory dues payable	24,346
	Consideration payable	34,855
	Outstanding Expenses	24,034
	Total	**83,236**

8	Other Non-Current Assets	
	Unsecured and Considered Good	**As at 31st March 2025**
	Long Term Trade Receivables - Retention	-
	Other Non Current Assets	4,733
	Total	**4,733**

9	Trade Receivables	
	Unsecured, Considered Good	As at 31st March 2025
	Trade Receivables	1,96,172
	Total	**1,96,172**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person

Trade Receivables Ageing Schedule as on March 31, 2025

Particulars	Current but not due	Outstanding for following periods from due date of payment			
		Less than 6 months	6 months to 1 year	1 year to 2 years	Total
Undisputed trade receivables - considered good	1,47,933	36,456	10,698	1,085	1,96,172
Add: Unbilled Debtor					
Less: Bill Discounted					
Undisputed trade receivables - credit impaired			-		-
Less: Allowances expected for credit losses			-		-
Total	**1,47,933**	**36,456**	**10,698**	**1,085**	**1,96,172**

10	Cash and Bank Balances	As at 31st March 2025
	(a) Cash and Cash Equivalents	
	Balances with Banks	
	In Current Account	6,554
	Cash on Hand	-
	Total	**6,554**

11	Short-term Loans and Advances	
	Unsecured, Considered Good	**As at 31st March 2025**
	Loans and advances to related parties- Director	1,983
	Other Short-Term Advances	2,835
	Total	**4,818**

12	Other Current Assets	
	Considered Good	As at 31st March 2025
	Other Current Assets	15,579
	Total	**15,579**

N R KRISHNAMOORTHY & CO. Chartered Accountants CHENNAI

METHODHUB CONSULTING INC
(Formerly known as CareAI Cloud Inc)
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS AS AT & FOR THE YEAR ENDED 31ST MARCH 2025

ı Rs. '000 except share data

13	**Revenue From Operations**	**For the year ended 31st March 2025**
	Information Technology Services	7,43,464
	Telecom and Tech Infra Projects	-
	Total	**7,43,464**
14	**Direct Costs**	**For the year ended 31st March 2025**
	Materials Consumed	-
	Direct Expenses	6,37,754
	Total	**6,37,754**
15	**Employee Benefits Expense**	**For the year ended 31st March 2025**
	Salaries & Wages	19,248
	Contribution to Provident and Other Funds	988
	Employees Gratuity	-
	Directors' Remuneration	-
	Staff welfare	2,304
	Total	**22,541**
16	**Finance Cost**	**For the year ended 31st March 2025**
	Interest Expenses	2,417
	Forex Loss/(Gain)	1,921
	Other Borrowing Costs	11,921
	Total	**16,259**
17	**Other Expenses**	**For the year ended 31st March 2025**
	Rent, Rates and Taxes	2,158
	Bank charges	1,069
	Travelling Expenses	2,885
	Communication Expenses	583
	Subscription Charges	1,033
	Other Services	5,563
	Business Promotion Expenses	1,643
	Legal & Professional Charges	3,063
	Office Expenses	826
	Insurance Expenses	300
	Total	**19,122**
18	**Contingent Liabilities and Commitments (to the extent not provided for)**	
	Particulars	**For the year ended 31st March 2025**
	Claims against the company not acknowledged as debt - GST/HST	2,802

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Chartered Accountants
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MethodHub Consulting Inc.
(formerly known as CareAI Cloud Inc)
Notes To Consolidated Financial Statements
As at and for the year ended March 31, 2025

Corporate Information

Methodhub Consulting Inc (formerly known as CareAI Cloud Inc) was incorporated on March 01, 2021, under the laws of the State of Delaware, United States of America. Pursuant to a name change effected in May 2024, the entity is now known as Methodhub Consulting Inc.

The Company is a wholly owned subsidiary of Methodhub Software Ltd., an Indian company engaged in information technology consulting and software development services. The Company provides IT-enabled services to clients in India.

These financial statements have been prepared solely for the purpose of consolidation with the holding company, Methodhub Software Ltd., and in accordance with the accounting principles and policies followed by the holding company under Indian Generally Accepted Accounting Principles (Indian GAAP).

Business Information

MethodHub Consulting Inc and its subsidiaries (Group) are engaged in Consulting services which include assessment of the enterprise network, applications selection and advise on the software design and tools; (ii) Implementation services which include deployment, upgrades, enhancements, migration, training, documentation and maintenance of various information technology systems and (iii) Development services which include customization of network and applications in the private or public cloud environment. The Group works with enterprises in their digital transformation journey, deploying best-in-class technology solutions.

Methodhub Consulting Inc ("MHI") was incorporated under the laws of the State of Delaware on March 01, 2021.

Zortech Solutions Inc (Canada) ("ZSICAD") was incorporated under the Ontario (Canada) business corporations act on April 12, 2018.

Zortech Solutions Inc. ("The corporation") ("ZSIUS") a was incorporated under the Texas corporation on October 27, 2020.

Effective April 01, 2024, ZSICAD has acquired the 100% controlling interest of ZSIUS and

Effective April 01,2024 MethodHub Consulting Inc. acquired 51% of controlling interest of ZSICAD making it as direct subsidiary and ZSIUS as step-down subsidiary and hereinafter the subsidiaries' and the step down subsidiaries referred to as the (Group.)

N.R. KRISHNAMOORTHY & CO. Chartered Accountants CHENNAI

MethodHub Consulting Inc.
(formerly known as CareAI Cloud Inc)
Notes To Consolidated Financial Statements
As at and for the year ended March 31, 2025

Summary of Significant Accounting Policies

These consolidated financial statements include the accounts of the following entities.

Name of the entity	Place of business	Legal ownership
Methodhub Consulting Inc. (MHI)	USA	Legal Parent
Zortech SolutionsInc (Canada)(ZSICAD)	Canada	51% owned by MHI
Zortech Solutions Inc.	USA	100% owned by ZSICAD

Functional and presentation currency:

The functional currency of MHI is the US dollar ("USD"), the functional currency of ZSICAD is the Canadian dollar ("CAD") and the functional currency of ZSIUS is the US dollar ("USD"). The presentation currency of the Group is the USD.

Share Capital

As of March 31, 2025, the share capital of Methodhub Consulting Inc. comprises the following:

- Authorized share capital: 1000 equity shares of par value Rs.8.341/- each
- Issued, subscribed, and fully paid-up share capital: 1000 equity shares of Rs.8.341/- each, amounting to a total paid-up capital of Rs.8,341/-

All issued shares are held entirely (100%) by Methodhub Software Ltd., India, the Company's parent entity. Consequently, Methodhub Consulting Inc. is a wholly owned subsidiary.

There are no classes of preferred shares, treasury shares, or other equity instruments issued by the Company as of the reporting date.

Revenue Recognition

The Group enters into contractual obligations with the customers to perform (i) Consulting services which include assessment of the enterprise network, applications selection and advise on the software design and tools; (ii) Implementation services which include deployment, upgrades, enhancements, migration, training, documentation and maintenance of various information technology systems and (iii) Development services which include customization of network and applications in the private or public cloud environment.

Revenue from Strategic advisory, Implementation and Development services are distinct performance obligations and is recognized on time-and-material or fixed-price project

N R KRISHNAMOORTHY & CO
Chartered Accountants
CHENNAI

basis. Revenues related to time-and-material are recognized over the period the services are provided using labor hours. Revenues related to fixed-price contracts are recognized as the service is performed using the cost-to-cost method, under which the total value of revenues is recognized based on the percentage that each contract's total labor cost to date bears to the total expected labor costs. The cost-to-cost method requires estimation of future costs, which is updated as the project progresses to reflect the latest available information; such estimates and changes in estimates involve the use of judgment. The cumulative impact of any revision in estimates is reflected in the financial reporting period in which the change in estimate becomes known and any anticipated losses on contracts are recognized immediately, where appropriate.

The Group recognize revenues as they transfer control of deliverables (services and solutions) to their clients in an amount reflecting the consideration to which they expect to be entitled. To recognize revenues, the Group apply the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied. The Group accounts for a contract when it has approval and commitment from all parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Group apply judgment in determining the customer's ability and intention to pay based on a variety of factors including the customer's historical payment experience.

For performance obligations where control is transferred over time, revenues are recognized based on the extent of progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the deliverables to be provided.

Basis of Preparation

These financial statements have been prepared in accordance with the historical cost convention and on an accrual basis of accounting, in accordance with the accounting principles generally accepted in India ("Indian GAAP"), comprising the Accounting Standards (AS) notified under the Companies (Accounting Standards) Rules, 2006 (as amended). As the company was acquired during the current financial year, the financial information presented pertains solely to the current year, and comparative figures for the previous year have not been provided. These statements do not constitute statutory financials under local law and are prepared solely for the purpose of consolidation into the books of the parent company.

Basis of combined financial statements

The combined financial statements include the financial statements of MethodHub Consulting Inc., Zortech Solutions Inc (Canada) and Zortech Solutions Inc (USA) which are related through common ownership and management as mentioned detailed in the

N R KRISHNAMOORTHY & CO.
Chartered Accountants
CHENNAI

table below .All intergroup balances and transactions have been eliminated in combining the financials.

Acquisition of Zortech Solutions Inc:

Zortech Solutions Inc., ("ZSICAD") was incorporated under the Ontario business corporations act on April 12, 2018, as a limited liability group MethodHub Consulting Inc acquired 51% of equity in Zortech from the Seller for a total consideration of Rs.6.97 crores

The balance consideration payable of Rs.3.48 Crores for the acquisition of controlling interest a promissory note payable to the selling shareholders of Zoretech within 12 months after acquisition date is treated as current liabilities

Consideration Paid	Rs.3.48 crores
Consideration pending payment	Rs.3.48 crores

Foreign Currency translation:

The functional currency of the parent group is the U.S. Dollar , while the functional currency of the Canadian subsidiary is the Canadian Dollar (CAD). The financial statements of the Canadian subsidiary have been translated into INR for consolidation purposes.

Assets and Liabilities are translated at the closing exchange rate as of the balance sheet date. Income and Expense Items are translated at average exchange rates for the reporting period. Equity Items, other than retained earnings, are translated at historical exchange rates. Exchange gains or losses are included in Income statement.

Employee Benefits (Salaries & Wages)

Short-term employee benefits (salaries, bonus, etc.) are recognized as expenses as incurred.

No long-term benefits or gratuity provisions have been created, as the company operates under the labour laws of USA, and there is no contractual obligation beyond short-term wages.

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of income, expenses, assets, and liabilities. Actual results could differ from those estimates

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Intergroup Transactions

All intergroup balances and transactions between the parent and the subsidiary, including intergroup sales, services, loans, and transfers, have been eliminated during consolidation. No profit or loss has been recognized from intra-group transactions in the consolidated financial statements.

Use of Estimates

The preparation of financial statements is in conformity with GAAP, which requires us to make estimates, judgments and assumptions that affect the financial statements and the notes thereto. These estimates are based on information available as of the date of the financial statements. On a regular basis, management evaluates these estimates and assumptions. Items subject to such estimates and assumptions include, but are not limited to:

• the standalone selling price for each distinct performance obligation
• the determination of the period of benefit for amortization of deferred costs
• the fair value of assets acquired, and liabilities assumed for business combinations.

Contract Balances

The timing of revenue recognition, billings, and cash collections results in billed accounts receivable, unbilled revenue (contract assets), and customer advances and deferred revenue (contract liabilities) on the Consolidated Balance Sheet. Amounts are billed as work progresses in accordance with agreed upon contractual terms, generally monthly upon achievement of contractual milestones. Generally, billing occurs after revenue recognition, resulting in contract assets. However, the Group sometimes receive advances or deposits from customers, particularly on international contracts, before revenue is recognized, resulting in contract liabilities. These deposits are liquidated when revenue is recognized.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with original maturities of three months or less. Balances held in Canadian banks are subject to exchange rate fluctuations when consolidated into U.S. dollars.

Cash and cash equivalents include cash and short-term deposits with original maturity under 90 days.

Accounts Receivable

The Group extends credit to clients based upon management's assessment of their creditworthiness on an unsecured basis. The Group provides an allowance for uncollectible accounts based on historical experience and management evaluation of

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trend analysis. The Group includes any balances that are determined to be uncollectible in its allowance for credit losses.

The Group's trade and other receivables are exposed to the risk of financial loss if the counterparty fails to meet its contractual obligations. Trade and other receivables credit exposure is minimized by entering transactions with creditworthy counterparties and monitoring the age and balances outstanding on an ongoing basis. Most of the Group's credit exposures are with counterparties in the consulting and technology industries and are subject to normal industry credit risk. Payment terms with customers are 30-45 days from invoice date.

Particulars	MHI	ZSICAD	ZSIUS	Consolidated
Accounts receivable	64,769.27	1,09,972.74	21,430.32	1,96,172.33

Accounts Payable

Accounts payable and accrued liabilities represent amounts due to suppliers and service providers for goods and services received prior to the end of the reporting period. These include trade payables, accrued salaries and benefits, professional fees, utilities, and other operating expenses.

All amounts are unsecured, non-interest bearing, and are expected to be settled within the normal operating cycle of the Group, typically within 30 to 60 days. There are no significant overdue balances or disputes with suppliers as of the reporting date.

Property and Equipment

Property and equipment are stated at cost. The Group provides for depreciation of property and equipment using the straight-line method over the estimated useful lives of the related assets ranging from 3 to 7 years. Leasehold improvements are amortized using the straight-line method over the shorter of the lease terms or the useful lives of the improvements. The Group charges repairs and maintenance costs that do not extend the lives of the assets to expenses as incurred.

Property and equipment consisted of the following: (in '000's)

Office Furniture & Equipment	Rs.416
Less: Accumulated depreciation	Rs.(176)
Total Fixed Asset (Net)	Rs.240

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Goodwill

Goodwill is the excess of the cost of an acquired entity over the net amounts assigned to tangible and intangible assets acquired and liabilities assumed. Goodwill is not amortized but is subject to an annual impairment test.

The Group performs its annual goodwill impairment test on an annual basis in the fourth quarter of each fiscal year or more frequently if changes in circumstances or the occurrence of events suggest that impairment exists. If the fair value of the reporting unit is less than its carrying value, an impairment loss is recorded to the extent that the implied fair value of the reporting unit's goodwill is less than the carrying value of the reporting unit's goodwill.

Income taxes

Tax expense recognized in net earnings or loss comprises the sum of deferred income tax and current income tax not recognized. Current income tax assets and liabilities are comprised of claims from, or obligations to, fiscal authorities relating to the current or prior reporting periods, which are unpaid at the reporting date. Current tax is the tax expected to be payable on the taxable income for the year calculated using rates that have been enacted or substantively enacted at the balance sheet date. It includes adjustments for taxes expected to be payable or recoverable in respect of previous periods. Where the amount of tax payable or recoverable is uncertain, the Group establishes provisions based on the most likely amount of the liability or recovery. The calculation of current income tax is based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

Under this approach, deferred taxes represent the future tax consequences expected to occur when the reported amounts of assets and liabilities are recovered or paid. The provision for income taxes represents income taxes paid or payable for the current year plus the change in deferred taxes during the period. Deferred taxes result from differences between the financial and tax basis of the Group's assets and liabilities and are adjusted for changes in tax rates and tax laws when changes are enacted. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates applicable in the years in which they are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax law is recognized in income in the period that includes the enactment date.

Borrowing costs

Borrowing costs are primarily comprised of interest on the Group's debts. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as a component of the cost of the asset to which it is related. All other borrowing costs are expensed in the period in which they are incurred and are reported in finance costs.

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Other Current Liabilities

Other current liabilities consist of the following: (in '000's)

Consideration payable	34,855
Outstanding Expenses	24,034
Statutory dues payable	24,346
Total	**83,236**

Current liabilities include an HST liability of Rs.22,468 relating to Zortech Canada. The Canadian revenue authorities have determined the total liability at Rs.25,270 as on 26th June 2025 for which no demand notice has been issued yet. Pending issue of demand notice the balance of liability of Rs 2,802 is treated as part of contingent liabilities .

Short Term Borrowings

Short Term Borrowings consist of the following: (in'000's)

Wilco Factoring (Zortech Canada)	38,529
Amex credit card	478
Wilco Factoring (Zortech USA)	1,029
From others	17,753
Wilco Factoring (MH USA)	23,160
Total	**80,949**

The Group has entered a factoring arrangement with a third-party financial institution, under which certain trade receivables are assigned on a recourse basis The factoring facility is used to enhance working capital liquidity by accelerating cash flow from accounts receivable.

As at the reporting date, the outstanding balance of funds received under the factoring arrangement has been classified under Other Current Liabilities, as it represents a short-term obligation to the factor until the underlying receivables are settled.

The factoring facility is secured by the assigned receivables and is subject to customary terms, including limits, fees, and repayment conditions as specified in the agreement. The Group remains responsible for the collection of receivables in case of a recourse arrangement.

Contingent liability and claims against the group not recognized as debt.

The Contingent liability of Rs.2,802 between the Subsidary Company's recorded liability and the CRA's preliminary estimate has been disclosed as a contingent liability, in accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets, as:

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- No present obligation has been confirmed through a legal or constructive demand; and
- The amount remains uncertain and contingent on the CRA issuing a formal notice.

The Company is monitoring the matter and will reassess the liability upon receipt of any formal communication from the tax authority. Management believes that the recognition of an additional provision at this stage is not appropriate.

Legal Matters

The Group is not involved in any action, arbitration and/or other legal proceedings that it expects to have a material adverse effect on the business, financial condition, results of operations or liquidity of the Group. All legal costs are expensed as incurred.

Events After Balance Sheet Date

No significant events have occurred after the balance sheet date which require disclosure or adjustment.

Approval of Financial Statements

These financial statements were approved by the Board of Directors of Methodhub Consulting INC. on 16TH July 2025 and are intended solely for consolidation by the holding company Methodhub Software Ltd.

As per our Audit Report of Even date
For N R KRISHNAMOORTHY & CO
Chartered Accountants
FRN: 001492S

N R KRISHNAMOORTHY & CO
Chartered Accountants
CHENNAI

N R Krishnamoorthy
Partner
Membership No. 020638
Date: 16-07-2025
Place: Chennai
UDIN: 25020638BMLCCL3503

For and on behalf of the Board of Directors
Methodhub Consulting Inc

Ahobilam Nagasundaram
Director

Christopher Kuhn
Director