

DATAMATICS ROBOTICS SERVICES INC.
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 AND 2022

DATE: April 24, 2023

DATAMATICS ROBOTICS SERVICES INC.
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 AND 2022

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CERTIFIED PUBLIC ACCOUNTANTS
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The Board of Directors
Datamatics Robotics Software, Inc.
31572 Industrial Road, Suite 200
Livonia, Michigan 48150-1838

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Datamatics Robotics Software, Inc., which comprise the balance sheets as of March 31, 2023 and 2022, and the related statements of income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Datamatics Robotics Software, Inc. as of March 31, 2023, 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.

Since our engagement is limited to expressing an audit opinion on Datamatics Robotics Software, Inc.'s financial position on a stand-alone basis for the years ending March 31, 2023 and 2022, the effects of the results of operations, cash-flow and Balance Sheet of the non-consolidating subsidiary companies are not considered in this audit report

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Datamatics Robotics Software, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Datamatics Robotics Software, Inc.'s ability to continue as a going concern for 2023 and onwards.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that express an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Datamatics Robotics Software, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Auditor's Conclusion

Based on our audit of Datamatics Robotics Software, Inc.'s financial statements, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Very truly yours,

Ramesh Sarva CPA

Ramesh Sarva, CPA

Mahesh J. Agashiwala CPA, P.C.

April 24, 2023

Date

DATAMATICS ROBOTICS SERVICES INC.
BALANCE SHEET
FOR THE YEAR ENDED MARCH 31, 2023 AND 2022

ASSETS

	<u>March 31,</u> <u>2023</u>	<u>March 31,</u> <u>2022</u>
CURRENT ASSETS		
Cash and Bank Balance	318,717	110,827
Accounts Receivable, Net -Trade (Note 2 & 3)	177,051	87,000
Prepaid Expenses	13,860	10,488
Loans & Advance -Others	24,600	37,746
Total Current Assets	\$ 534,228	246,061
 OTHER ASSETS		
Investment	141,844	141,844
Total Other Assets	\$ 141,844	141,844
 TOTAL ASSETS		
	\$ 676,072	387,905

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MAHESH J. AGASHIWALA, C.P.A., P.C.
 CERTIFIED PUBLIC ACCOUNTANTS

DATAMATICS ROBOTICS SERVICES INC.
BALANCE SHEET-CONTINUED
FOR THE YEAR ENDED MARCH 31, 2023 AND 2022

LIABILITIES AND STOCKHOLDERS' EQUITY

	<u>March 31,</u> <u>2023</u>	<u>March 31,</u> <u>2022</u>
CURRENT LIABILITIES		
Account Payable (Note 4)	151,980	3,011
Accrued Expenses and Other Current Liabilities	3,906,869	2,046,415
Total Current Liabilities	\$ 4,058,849	2,049,426
EQUITY		
Equity Capital-Common (Note 5)	10,111	10,111
Additional Paid in Capital	176,000	176,000
Retained Earnings	(3,568,888)	(1,847,632)
Total Stockholders' Equity	\$ (3,382,777)	(1,661,521)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 676,072	387,905

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CERTIFIED PUBLIC ACCOUNTANTS

**DATAMATICS ROBOTICS SERVICES INC.
INCOME STATEMENT
FOR THE YEAR ENDED MARCH 31, 2023 AND 2022**

		March 31, 2023	March 31, 2022
	Schedule		
Net Sales		\$ 588,072	360,929
Cost of Sales	A	294,036	343,653
Gross Profit		<u>\$ 294,037</u>	<u>17,276</u>
Operating Expenses			
Selling, general and administrative expenses	B	2,015,291	1,947,013
Operating Income		<u>\$ (1,721,254)</u>	<u>(1,929,736)</u>
Interest Income/(Expense)		-	(1,782)
Other Income/(Expenses)		-	-
Profit Before Tax		<u>\$ (1,721,254)</u>	<u>(1,931,518)</u>
Corporate Tax		-	-
Profit After Tax		<u>\$ (1,721,254)</u>	<u>(1,931,518)</u>
Adjustment of prior period taxes		-	-
Balance carried forward to retained Earnings		<u><u>(1,721,254)</u></u>	<u><u>(1,931,518)</u></u>

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DATAMATICS ROBOTICS SERVICES INC.
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2023 AND 2022

	March 31, 2023	March 31, 2022
<u>Cash Flows from Operating Activities:</u>		
Net income (loss) / Income	(1,721,254)	(1,931,518)
Adjustments to reconcile net Profit to Net cash Provided / (used in) by operating Activities:		
Decrease / (Increase) in Accounts Receivable	(90,051)	(48,461)
(Increase) / Decrease in Other Current Assets	(3,372)	36,789
Increase in Loans & Advances	13,146	-
Decrease in Current Liabilities	2,009,421	877,832
Net cash provided by Operating Activities	207,890	(1,065,359)
<u>Cash Flow from Financing Activities:</u>		
Loans & Advances	-	863,851
Increase in Capital	-	26,252
Net cash from financing activities	-	890,103
Net increase (decrease) in cash	207,890	(175,256)
Cash at beginning of period	110,827	286,083
Cash at end of period	318,717	110,827

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DATAMATICS ROBOTICS SERVICES INC.
STATEMENT OF RETAINED EARNINGS
FOR THE YEAR ENDED MARCH 31, 2023 AND 2022

	March 31, 2023	March 31, 2022
<u>Retained Earnings</u>		
Beginning Balance	(1,929,144)	2,374
Net Profit for the period	(1,721,254)	(1,931,518)
Ending Balance (A)	(3,650,398)	(1,929,144)
<u>Securities premium reserve</u>		
Beginning Balance	81,510	55,295
Issue of share capital	-	26,215
Ending Balance (B)	81,510	81,510
Total (A+B)	<u>(3,568,888)</u>	<u>(1,847,634)</u>

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MAHESH J. AGASHIWALA, C.P.A., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

DATAMATICS ROBOTICS SOFTWARE INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 AND 2022

1. ORGANIZATION

Datamatics Robotics Software Inc. is incorporated in the State of Delaware on March 28, 2017 and is a subsidiary of Datamatics Global Services Inc. which is also incorporated in Delaware. It commenced operations in Fiscal Year-ended March 31, 2019.

The Company sells Robotic Process Automation License and services to its customers. It modifies its proprietary Robotic Automation Software to provide custom designed routine tasks as per each customers requirement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The Company maintains its books of accounts on accrual basis.

INVENTORY

The Company is not engaged in the sale of any products and therefore there is no inventory of merchandise.

CONTRACT LABOR

Contract Labor includes the cost of outside resources utilized to write the code for the specific Robotic Software programming service requirements of each customer.

CASH

Cash includes cash on hand and in bank deposit. The Company maintains its cash in bank deposit accounts that, at times, may be in excess of amounts insured by the Federal Deposit Insurance Corporation. The Company has not experienced any losses in such accounts.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of cash, accounts receivable, accounts payable and accrued liabilities approximate fair value due to the short maturity of those instruments.

PROVISION FOR DOUBTFUL DEBTS

The Company will create a reserve for bad debts for its Receivables if it considers any as doubtful. Management believes all Receivables are collectible, therefor no provision has been booked at March 31, 2023.

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DATAMATICS ROBOTICS SOFTWARE INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 AND 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

USE OF ESTIMATES

The preparation of financial statements as per Generally Accepted Accounting Principles requires management to make estimates and assumptions which affects the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of revenue and expenses during the reported period. Actual results could differ from such estimates.

INTERNAL CONTROLS

Management believes that adequate internal controls are in place. [OBJ]

INCOME TAXES

The Company has reported Loss for the current fiscal year. The Company has accumulated Net Operating Losses from the prior year, which will be increased by the current year loss. No provision for tax has been recorded.

3. ACCOUNTS RECEIVABLE

Accounts Receivable includes \$ 8,150 which is past due over 30 days, representing 5% of the total Accounts Receivable. Management represents it believes all other balances are collectible as well.

4. RELATED PARTY TRANSACTIONS

Accounts Payable also includes \$215,087 due to Datamatics Robotics Software Limited, a subsidiary, against services received worth \$294,036.

Accounts payable include \$2,642,212 due to Datamatics Global Services, Inc. the parent company against expenses rendered as March 31, 2023.

Other receivables include \$24,600 from Datamatics Global Services Limited, the parent company against a collection of customers on our behalf as of March 31, 2023.

Investment in Subsidiary includes the following balances

Datamatics Robotics Services Limited \$ 141,844

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**DATAMATICS ROBOTICS SOFTWARE INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 AND 2022**

5. EQUITY

The Company has Authorized Common Stock of 10000 shares @ No Par Value. As of March 31, 2023, Common Stock Issued and Outstanding was 1111.00 shares @ No Par Value.

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CERTIFIED PUBLIC ACCOUNTANTS

SUPPLEMENTARY INFORMATION

DATAMATICS ROBOTICS SERVICES INC.
SUPPLEMENTAL INFORMATION
SCHEDULE A- COST OF SALES
FOR THE YEAR ENDED MARCH 31, 2023 AND 2022

	<u>April 1, 2022 to March 31, 2023</u>	<u>April 1, 2021 to March 31, 2022</u>
Contract Labour	294,036	334,181
Travel & Conveyance	-	3,329
Professional Fees.	-	6,143
TOTAL	<u>294,036</u>	<u>343,653</u>

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DATAMATICS ROBOTICS SERVICES INC.
SUPPLEMENTAL INFORMATION
SCHEDULE B- SELLING, GENERAL & ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED MARCH 31, 2023 AND 2022

	<u>April 1, 2022 to</u> <u>March 31, 2023</u>	<u>April 1, 2021 to</u> <u>March 31, 2022</u>
Salaries	1,741,833	1,818,596
Advertisement and sales Promotion	(3,361)	8,483
Bank Charges	632	558
Travel & Conveyance	57,197	4,068
Repairs & Maintenance	1,200	-
Telephone	480	-
Entertainment expenses	1,033	-
Recruitment Expenses	-	1,024
Utilities	153	-
Insurance	144,177	91,412
Legal & Professional Fees	28,850	11,961
Rent	20,968	-
Communication charges	3,213	10,150
Miscellaneous Expenses	18,400	1
Software Expenses	12	617
Printing, stationery and Office supplies	505	143
TOTAL	<u>2,015,291</u>	<u>1,947,013</u>

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