Dextara Digital USA Inc

Financial Statements

March 31, 2025

RAM ASSOCIATES, CPAS

3240 East State Street Ext,
Hamilton, NJ 08619
Phone: (609) 631-9552/53
Fax: (888) 319-8898
email: pkram@ramassociates.us
www.ramassociates.cpa

Dextara Digital USA Inc

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Stockholders'
of Dextara Digital USA Inc

Opinion

We have audited the accompanying financial statements of Dextara Digital USA Inc (a Delaware corporation), which comprise the balance sheet as of March 31, 2025, and the related statements of income, changes in stockholder's equity, and cash flows for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Dextara Digital USA Inc and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 Dextara Digital USA Inc's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 generally accepted auditing standards 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 there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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, but not for the purpose of expressing an opinion on the effectiveness of Dextara Digital USA Inc's internal control. Accordingly, no such opinion is expressed.
- 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 Dextara Digital USA 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.

Ram Associates

Ram Associates

Hamilton, NJ

May 12, 2025.

Dextara Digital USA Inc
Balance Sheet
March 31, 2025

ASSETS

Current assets	
Cash	$ 203,687
Accounts receivable	425,947
Other current assets	57,687
Total current assets	687,321
Fixed assets, net	3,860
Deferred tax asset	145,687
TOTAL ASSETS	$ 836,868

LIABILITIES AND STOCKHOLDER'S DEFICIT

Current liabilities	
Accounts payable and accrued expenses	$ 206,171
Other current liabilities	150,196
Total current liabilities	356,367
Long-term liabilities	
Long term loan	1,145,000
Total current and long-term liabilities	1,501,367
Stockholder's deficit	
Common stock, $1 par value; 1,000 shares authorized; issued and outstanding	1,000
Accumulated deficit	(665,499)
Total stockholder's deficit	(664,499)
TOTAL LIABILITIES AND STOCKHOLDER'S DEFICIT	$ 836,868

Dextara Digital USA Inc

Statement of Operations

For The Year Ended March 31, 2025

Net revenue	$	3,332,356
Cost of revenue		2,882,189
Gross profit		450,167
Operating expenses		
Selling, general and administration expenses		401,986
Operating income before other income/(expenses)		48,181
Interest		(96,072)
Other income		210
Net loss before tax		(47,681)
Earlier period		3,224
Current tax		(2,465)
Deferred tax		(116,549)
Net loss	$	(163,471)

Dextara Digital USA Inc

Statement of Changes in Stockholder's Deficit

For The Year Ended March 31, 2025

	Common stock						
	Shares		**Amount**		**Accumulated deficit**		**Total stockholder's deficit**
Balance as at March 31, 2024	1,000	$	1,000	$	(502,028)	$	(501,028)
Net loss					(163,471)		(163,471)
Balance as at March 31, 2025	1,000	$	1,000	$	(665,499)	$	(664,499)

- See accompanying notes to financial statements -

Dextara Digital USA Inc

Statement of Cash Flows

For The Year Ended March 31, 2025

Cash flows from operating activities		
Net loss	$	(163,471)
Adjustment to reconcile net loss to net cash provided by operating activities		
Depreciation		96,072
Changes in assets and liabilities :		
Increase in accounts receivable		(1,023)
Increase in other current assets		(57,647)
Increase in accounts payable		170,964
Decrease in other current liabilities		(116,538)
Net cash provided by operating activities		44,906
Cash flows from investing activities		
Purchase of fixed assets		(99,932)
Net cash used in investing activities		(99,932)
Net decrease in cash		(55,026)
Cash at the beginning of the year		258,713
Cash at the end of the year	$	203,687

Supplementary disclosure of cash flows information:

Cash paid during the year for:		
Income tax expenses	$	-
Interest expenses		96,072

1) Nature of Business:

Organization

Dextara Digital USA Inc. (the "Company") is a Delaware corporation incorporated on November 2, 2020, and operates as a wholly owned subsidiary of Dextara Digital Private Limited. The Company specializes exclusively in Salesforce solutions and is recognized as a Salesforce Platinum (Summit) Consulting and Independent Software Vendor (ISV) Partner.

Dextara Digital has successfully delivered a wide range of Salesforce implementations to global clients, leveraging platforms such as Einstein/AI, CPQ, Manufacturing Cloud, Health Cloud, Sales Cloud, and more. In addition to its consulting services, the Company has developed a suite of purpose-built Salesforce-native products, including DXCPQ, DXHealth, and DXTemplates, to further enhance client value and operational efficiency.

2) Summary of Significant Accounting Policies:

Accounting Policies

These financial statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("GAAP"); consequently, revenue is recognized when services are rendered, and expenses reflected when costs are incurred.

Use of Estimates

The preparation of financial statements is in conformity with GAAP, which requires the management 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.

Revenue recognition

The Company recognizes revenue in accordance with the Accounting Standard Codification 606 "Revenue Recognition." The Company recognizes revenues as they transfer control of deliverables (products, solutions and services) to its customers in an amount reflecting the consideration to which it expects to be entitled. To recognize revenues, the Company applies 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.

Revenues are primarily derived from professional services under time and materials contracts, which are recognized in the period in which services are provided.

Revenue related to services performed without a signed agreement or work order are not recognized until there is evidence of an arrangement, such as when agreements or work orders are signed, or payment is received; however, the cost related to the performance of such work is recognized in the period the services are rendered.

For all services, revenue is recognized when, and if, evidence of an arrangement is obtained and the other criteria to support revenue recognition are met, including the price is fixed or determinable, services have been rendered and collectability is assured.

Revenues related to fixed price contracts for professional services are recognized using a model that is similar to the proportional performance method. Anticipated losses are recognized when they become known. Revisions in estimated profits are made in the month in which the circumstances requiring the revision become known.

Contract Balances

The difference in timing of revenue recognition, billings, and cash collections results in billed accounts receivable, costs in excess of billing on uncompleted contracts (contract assets), and customer advances and billing in excess of costs and estimated earnings on uncompleted contracts (contract liabilities) on the balance sheet. Amounts are billed as unbilled revenue in accordance with agreed-upon contractual terms, generally monthly upon achievement of contractual milestones. Generally, billing occurs after revenue recognition, resulting from contract. However, the Company sometimes receive advances or deposits from its customers, before revenue is recognized, resulting in contract liabilities. These deposits are liquidated when revenue is recognized.

The following are the contract balances as of March 31,

Description	2025	2024
Contract receivables	$ 425,947	$ 424,924

Allowance for Credit Losses

The Company adopted ASC 326, Financial Instruments--Credit Losses, as of January 1, 2023, with the cumulative-effect transition method with the required prospective approach. The measurement of expected credit losses under the current expected credit loss ("CECL") methodology is applicable to financial assets measured at amortized cost, which include accounts receivable and other contract assets. An allowance for credit losses under the CECL methodology is determined using the loss-rate approach and measured on a collective (pool) basis when similar risk characteristics exist. Where financial instruments do not share risk characteristics, they are evaluated on an individual basis. The CECL allowance is based on relevant available information, from internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts.

The Company calculates expected credit losses for its trade accounts receivable and contract assets. Expected credit losses include losses expected based on known credit issues with specific customers as well as a general expected credit loss allowance based on relevant information, including historical loss rates, current conditions, and reasonable economic forecasts that affect collectability. The Company updates its allowance for credit losses on a quarterly basis with changes in the allowance recognized in income from operations. The allowance for credit losses as of March 31, 2025 was $ 0.

Cash and cash equivalents

The Company considers all highly liquid investments (including money market funds) with an original maturity at acquisition of three months or less to be cash equivalents.

Accounts receivable

The Company extends credit to clients based upon the management’s assessment of their creditworthiness on an unsecured basis. Total bad debts for the year ended March 31, 2025, were $ 0. Management has determined that no allowance for credit losses is necessary as of March 31, 2025.

Property, Plant 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.

Advertising Costs

The Company expenses advertising cost as incurred. Advertising expense for the year ended March 31, 2025, was $ 19,617.

Income taxes

The provision for income taxes was determined using the asset and liability approach of accounting for income taxes. 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.

Credits and Business Concentration

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and trade receivables. Credit risks associated with trade receivables are minimal due to the Company's customer base, which consists of a large customer base, and ongoing procedures which monitor the creditworthiness of its customers. For the year ended March 31, 2025, sales to the top five customers accounted for approximately 31% of total revenue and accounts receivable from five major customers accounted for approximately 40% of the total accounts receivable.

The Company maintains cash balances in various financial institutions. The balances are generally insured by the Federal Deposit Insurance Corporation up to $250,000 (valid through March 31, 2025 per institution.

As of March 31, 2025, the Company had $ 0 balance of uninsured cash balances. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk in cash.

Subsequent events

For the year ended March 31, 2025, the Company has evaluated subsequent events through May 12, 2025, the date, which the compiled financial statements were available to be issued. No reportable subsequent events have occurred through May 12, 2025, which would have a significant effect on the financial statements as of March 31, 2025.

3) New Accounting Pronouncements

Accounting Standards Update (ASU) 2023-09 Improvements to Income Tax Disclosures, Income Taxes (Topic 740): This ASU requires enhanced disclosures about a reporting entity's effective tax rate and its income taxes paid (refunded). Entities other than Public Business Entities are required to qualitatively disclose the nature and effect of the specific categories of reconciling items listed in ASC 740-10-50-12A(a) as well as individual jurisdictions that result in a significant difference between the statutory tax rate and the effective tax rate. Numerical reconciliation is not required. Further, income taxes paid must be disaggregated by foreign, domestic, and state taxes, with further disaggregation by jurisdiction on the basis of a quantitative threshold of 5 percent "of total income taxes paid (net of refunds received). However, comparative information for all periods presented is not required for the disclosures related to income taxes paid in an individual jurisdiction under ASC 740-10-50-23. ASU 2023-09 is effective for public business entities for annual periods beginning after December 15, 2024, and for annual periods beginning after December 15, 2025, for all other entities.

4) Property, plant, and equipment

Property and equipment consisted of the following:

Computers	$ 4,458
Total	4,458
Less: Accumulated depreciation	(598)
Total Fixed Asset (Net)	$ 3,860

5) Deferred tax asset

As of March 31, 2025, the Company recognized a deferred tax asset of $145,670. The deferred tax asset primarily arises from temporary differences between the book and tax treatment of certain expenses and net operating loss carryforwards available to offset future taxable income.

Management has evaluated the realizability of the deferred tax asset in accordance with the guidance provided under ASC 740, Income Taxes. Based on the Company's projections of future taxable income and other relevant factors, management believes it is more likely than not that the deferred tax asset will be realized and, therefore, no valuation allowance has been recorded as of the reporting date.

The realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences and loss carryforwards become deductible. The Company will continue to evaluate the need for a valuation allowance at each reporting period.

6) Long term loan

On February 23, 2024, the Company entered into a loan agreement with Dextara Digital Private Limited and received proceeds totaling $1,145,000. The loan is for a term of 10 years from the date of disbursement and is repayable in full, along with accrued interest, on or before the maturity date, unless amended by mutual written consent of both parties. The loan bears interest at an annual rate of SOFR plus 3.5%.

The agreement permits the Company to make early repayment of the loan, in whole or in part, at its discretion and subject to the availability of funds, without incurring any prepayment penalties unless otherwise specified.

During the year ended March 31, 2025, the Company incurred and paid interest expense of $96,072 on this loan, with an outstanding loan balance of $1,145,000 as of March 31, 2025.

7) Legal Matters

The Company 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 Company. All legal costs are expensed as incurred.