

SC Soft Inc. Canada
Financial Statements
For the year ended March 31, 2024
(Unaudited)

SC Soft Inc. Canada
March 31, 2024

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SC Soft Inc. Canada

Statement by Director

The Director has pleasure in presenting this report to the members together with the unaudited financial statements of SC Soft Inc. Canada ("the Company") for the financial Year ended 31 March, 2024.

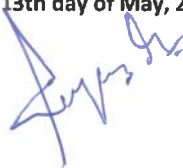
OPINION OF THE DIRECTOR

In the opinion of the Board of Director of the Company,

- (i) the financial statements which comprise the balance sheet as at 31st March 2024, statement of comprehensive income, statement of retained earnings and cash flow statement of the Company for the financial year then ended, and summary of significant accounting policies and other explanatory notes are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31st March 2024 and of the results, changes in equity and cash flows of the Company for the year ended on that date; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Dated the 13th day of May, 2024

Director



SC Soft Inc. Canada
Balance Sheet as at 31 March, 2024

(in CAD)

| | Note | 2024 | 2023 |
|---|------|--------------------|--------------------|
| ASSETS | | | |
| Current Assets | | | |
| (a) Financial Assets | | | |
| (i) Cash and Bank | 4 | 28,382.18 | 17,517.25 |
| (ii) Other Financial Assets | 5 | 282.28 | - |
| (b) Other Current Assets | 6 | 478,455.55 | 448,440.42 |
| | | 507,120.01 | 465,957.67 |
| Non-Current Assets | | | |
| (a) Property and Equipment | 3 | 9,414.19 | 12,897.23 |
| (b) Intangible Assets under Development | 3 | 217,878.85 | - |
| | | 227,293.04 | 12,897.23 |
| TOTAL | | 734,413.05 | 478,854.90 |
| EQUITY AND LIABILITIES | | | |
| Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 7 | 758,644.63 | 379,408.63 |
| (ii) Trade Payables | 8 | 930.22 | 116,560.52 |
| (b) Other Current Liabilities | 9 | 41,251.22 | 41,501.33 |
| | | 800,826.07 | 537,470.48 |
| Non-Current Liabilities | | | |
| | | - | - |
| Equity | | | |
| (a) Equity Share Capital | 10 | 100.00 | 100.00 |
| (b) Retained Earnings | 11 | (66,513.02) | (58,715.58) |
| | | (66,413.02) | (58,615.58) |
| TOTAL | | 734,413.05 | 478,854.90 |
| Summary of significant accounting policies | 2 | | |

The accompanying notes are an integral part of the financial statements.



SC Soft Inc. Canada
Statement of Profit & Loss for the year ended 31 March, 2024

(in CAD)

| | Note | 2024 | 2023 |
|--|------|--------------------|--------------------|
| Income | | | |
| Revenue | - | - | - |
| Total revenue | | - | - |
| Expenses | | | |
| Operating Expenses | - | - | - |
| Employee Benefits Expense | 12 | - | 29,752.22 |
| Finance Costs | 13 | 564.51 | 680.99 |
| Depreciation And Amortisation Expenses | - | 3,483.04 | 10,449.47 |
| Other Expenses | 14 | 8,749.89 | 18,749.68 |
| Total Expenses | | 12,797.44 | 59,632.35 |
| Operating Profit | | (12,797.44) | (59,632.35) |
| Other Income | 15 | 5,000.00 | - |
| Profit/(Loss) Before Tax | | (7,797.44) | (59,632.35) |
| Tax Expense: | | | |
| Current Tax | | - | - |
| Deferred Tax Charge | | - | - |
| Total Tax Expenses | | - | - |
| Profit/(Loss) After Tax | | (7,797.44) | (59,632.35) |
| Other Comprehensive Income | | - | - |
| Total Comprehensive Income/(Loss) | | (7,797.44) | (59,632.35) |
| The accompanying notes are an integral part of the financial statements. | | | |



SC Soft Inc. Canada
Statement of Retained Earnings for the year ended 31 March, 2024

(in CAD)

| Particulars | 2024 | 2023 |
|--|--------------------|--------------------|
| Retained Earnings, beginning of the year | (58,715.58) | 916.77 |
| Net Income / (Deficit) | (7,797.44) | (59,632.35) |
| Retained Earnings, end of the year | (66,513.02) | (58,715.58) |
| The accompanying notes are an integral part of the financial statements. | | |



SC Soft Inc. Canada
Statement of Cash Flow for the year ended 31 March, 2024

(in CAD)

| Sr. | Particulars | Note | 2024 | 2023 |
|--|---|----------------|---------------------|---------------------|
| A | Operating : | | | |
| | Net Loss | | (7,797.44) | (59,632.35) |
| | Items not requiring an inflow or outlay of funds | | | |
| | Depreciation and amortisation expenses | | 3,483.04 | 10,449.47 |
| | | | (4,314.40) | (49,182.88) |
| | Changes in non-cash working capital | | | |
| | Accounts Receivable | | (30,297.41) | (448,440.42) |
| | Accounts Payable and accrued liabilities | | (115,880.41) | 158,978.62 |
| | | | (146,177.82) | (289,461.80) |
| | | | (150,492.22) | (338,644.68) |
| B | Investing : | | | |
| | Purchase of PPE and Intangible assets | | (217,878.85) | (23,346.70) |
| C | Financing : | | | |
| | Proceeds from borrowings (net) | | 379,236.00 | 379,408.63 |
| | Increase in Cash | (A+B+C) | 10,864.93 | 17,417.25 |
| | Cash beginning of year | | 17,517.25 | 100.00 |
| | Cash end of year | | 28,382.18 | 17,517.25 |
| The accompanying notes are an integral part of the financial statements. | | | | |



Note 1- DESCRIPTION OF BUSINESS

SC Soft Inc. Canada ("the Company") was incorporated and headquarters in Montreal, Canada. The Company's main business activity is developing, testing and selling specialized software of automatic fare collection systems for smart transits industries.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for private enterprises (ASPE) and include the following significant accounting policies:

Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. Estimates are included in the following accounts:

- Reported amounts of revenue and expenses during the current year;
- Reported amounts of assets and liabilities; and
- Disclosure of contingent assets and liabilities at the date of the financial statements.

Revenue Recognition

The Company earns substantially all of its revenue from the software development, maintenance, testing and support services to its customers. Revenue is recognized when earned, specifically when all of the following conditions are met:

- Services are provided to its customers.
- There is clear evidence that an arrangement exists.
- Amounts are fixed or can be determined.
- Company's ability to collect is reasonably assured.
- No significant obligation for future performance remains.

The Company records payment received in advance including upfront non-refundable payments as deferred revenues until the services to customers are provided or delivered.

License revenue is recognized upfront at full amount, based on the customer contract and proof of delivery of license to the customer.

Impairment of assets

Assets are tested for impairment: whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the discounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the asset exceeds its fair value.



Property and Equipment

Property and equipment are stated at cost, net of accumulated depreciation. Depreciation is computed over the asset's estimated useful life using straight-line depreciation methods, generally three to seven periods. Amortization of leasehold improvements is computed over the shorter of the improvement's useful life or related lease term. Expenditures for major renewals and betterments that extend the useful lives of the property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. When items of property or equipment are sold or retired, the related cost and accumulated depreciation is removed from the accounts and any gain or loss is included in the results of operations.

Depreciation and amortization

Depreciation and amortisation expense are calculated by using accelerated and straight-line methods based on their estimated useful life of the assets.

Computer and office equipment 5-7 Years

Income taxes

The Company uses the income tax payable method of accounting for income taxes. Under this method, income tax payable at actual for the year are recorded.

Financial Instruments

The Company initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions if any.

The Company subsequently measures all its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash, accounts receivable, prepaid expenses, deposit and advance to related companies.

Financial liabilities measured at cost include, accounts payable and accrued liabilities, payroll liabilities, due to government agencies and amounts due to related parties.

The Company has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The principal risks assumed by the Company are credit risk and currency risk.

Credit risk

The Company is exposed to credit risk through its account receivable. There is no concentration of risk with respect to any of our customers. The company maintains a policy of credit review for all of its customers and establishes an allowance for doubtful debts when amounts are not collectible.

Currency risk

The Company is exposed to currency risk due to a portion of its sales and expenses is incurred in U.S. dollars and Indian rupees, resulting in accounts receivable and payable in foreign currencies subject to gains or losses due to exchange rate fluctuations.



SC Soft Inc. Canada
Notes to the financial statements for the year ended 31 March, 2024

Note 3:- Property and Equipment and Intangible Assets Under Development:-

(in CAD)

| Particulars | Cost | Accumulated Depreciation | 2024 Net Book Value | 2023 Net Book Value |
|--|------------------|--------------------------|---------------------|---------------------|
| Computers | 1,217.58 | 852.93 | 364.65 | 425.65 |
| Furniture & Fixtures | 25,950.68 | 22,834.16 | 3,116.52 | 4,402.47 |
| Leasehold Improvements | 37,340.51 | 33,403.38 | 3,937.13 | 5,498.61 |
| Prototype Assets | 11,500.07 | 9,504.18 | 1,995.89 | 2,570.50 |
| Property and Equipment | 76,008.84 | 66,594.65 | 9,414.19 | 12,897.23 |
| | | | | |
| Intangible Assets Under Development | - | - | 217,878.85 | - |



SC Soft Inc. Canada
Notes to the financial statements (Continued)

(in CAD)

| | 2024 | 2023 |
|---|--------------------|--------------------|
| Note 4. Cash and Bank | | |
| Balance with Banks | 28,382.18 | 17,517.25 |
| | <u>28,382.18</u> | <u>17,517.25</u> |
| Note 5. Other Financial Assets | | |
| Other Advances | 282.28 | - |
| | <u>282.28</u> | <u>-</u> |
| Note 6. Other Current Assets | | |
| Prepaid Expenses | 378,177.85 | 307,470.23 |
| Advance to Supplier | 63,313.57 | 29,102.16 |
| Advances to Employees | 23,620.49 | 10,954.59 |
| Others Receivables | 13,343.64 | 100,913.44 |
| | <u>478,455.55</u> | <u>448,440.42</u> |
| Note 7. Borrowings | | |
| Loans from Holding Company (Unsecured) | 758,644.63 | 379,408.63 |
| | <u>758,644.63</u> | <u>379,408.63</u> |
| Note 8. Trade Payables | | |
| Trade Payables | 930.22 | 116,560.52 |
| | <u>930.22</u> | <u>116,560.52</u> |
| Note 9. Other Current Liabilities | | |
| Payable to Tax Authorities | 30,761.00 | 31,011.33 |
| Other Liabilities | 10,490.22 | 10,490.00 |
| | <u>41,251.22</u> | <u>41,501.33</u> |
| Note 10. Share capital | | |
| Issued, subscribed and paid-up | | |
| 100 (2023: 100) equity shares of CAD\$ 1 each | 100.00 | 100.00 |
| | <u>100.00</u> | <u>100.00</u> |
| Note 11. Retained Earnings | | |
| Surplus in Retained Earnings | | |
| At the commencement of the year | (58,715.58) | 916.77 |
| Add: Loss for the year | (7,797.44) | (59,632.35) |
| At the end of the year | <u>(66,513.02)</u> | <u>(58,715.58)</u> |
| | <u>(66,513.02)</u> | <u>(58,715.58)</u> |



SC Soft Inc. Canada
Notes to the financial statements (Continued)

(in CAD)

| | 2024 | 2023 |
|---|--------------|------------------|
| Note 12. Employee Benefits Expense | | |
| Salaries and Incentives | 206,363.75 | 28,386.00 |
| Employee Insurance and Other charges | 11,515.10 | 1,366.22 |
| Less: Capitalised under Intangible Assets during the year | (217,878.85) | - |
| | - | 29,752.22 |

| | | |
|-------------------------------|---------------|---------------|
| Note 13. Finance Costs | | |
| Other Finance Cost | 564.51 | 680.99 |
| | 564.51 | 680.99 |

| | | |
|--------------------------------|-----------------|------------------|
| Note 14. Other Expenses | | |
| Legal & Professional fees | 145.00 | 4,572.75 |
| Rent and office Expenses | 6,000.00 | 8,516.37 |
| Travelling Expenses | 2,604.89 | 5,660.56 |
| | 8,749.89 | 18,749.68 |

| | | |
|------------------------------|-----------------|---|
| Note 15. Other Income | | |
| Other Miscellaneous income | 5,000.00 | - |
| | 5,000.00 | - |

Note 16. Related Party Disclosure

a) Name of the Related Parties

- (i) Aurionpro Solutions Limited (Ultimate Holding Company)
- (ii) Aurionpro Transit Pte Ltd (Holding Company)

b) Transactions during the year with Related Parties

Nature of Transactions

Borrowings

| | | |
|---------------------------|-------------------|-----------------|
| Aurionpro Transit Pte Ltd | 758,644.63 | 8,670.11 |
| | 758,644.63 | 8,670.11 |

Note 17. Economic Dependence and Contractual Obligations

The Company is dependent on parent company for support relating to software development, license- and support services. The company has signed a lease for its office premise, the annual commitment for the upcoming twelve months of the lease is CAD 6,000.

Note 18. Prior Period Comparative

The previous year figures have been regrouped / reclassified wherever necessary to make them comparable with those of the current year.

Note 19. Subsequent Event

The Company has evaluated subsequent events from the balance sheet date through May 13, 2024 the date on which the financials were available for issue and determined that there is no material event to be disclosed.

