EXPLEO SOLUTIONS INC.

FINANCIAL STATEMENTS
SUPPLEMENTARY INFORMATION
AND INDEPENDENT AUDITOR'S REPORT

MARCH 31, 2026 AND 2025

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Stockholders of
Expleo Solutions Inc

Opinion

We have audited the accompanying financial statements of Expleo Solutions Inc (a Delaware corporation), which comprise the balance sheets as of March 31, 2026 and 2025, and the related statements of income, changes in stockholder's equity, and cash flows for the years 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 Expleo Solutions Inc as of March 31, 2026 and 2025, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Expleo Solutions 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.

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 Expleo Solutions 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 Expleo Solutions 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 Expleo Solutions 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.

To the Board of Directors and Stockholders of
Expleo Solutions Inc

INDEPENDENT AUDITOR'S REPORT – (Cont'd)

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of cost of sales and operating expenses are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Balachandar Jayaraman CPA LLC
Colonia, New Jersey
May 6, 2026

EXPLEO SOLUTIONS INC
BALANCE SHEETS
March 31, 2026 and 2025

	2026	2025
Assets		
Current Assets		
Cash and Cash Equivalents	$ 841,932	$ 539,568
Accounts Receivable - Affiliates/Others, net of allowance for collection loss $-0- and $-0-	721,518	1,280,786
Unbilled Revenues (Contract Assets)	539,575	468,103
Loan Receivable from Affiliate	-	-
Interest Receivable from Affiliate	117,703	46,642
Loans & Advances	103	3,072
Prepaid Expenses	36,941	4,763
Total Current Assets	2,257,772	2,342,934
Property, Plant and Equipment		
Computer Equipment	2,796	2,796
Less: Accumulated Depreciation	(2,643)	(1,939)
Total Property, Plant and Equipment	153	857
Other Assets		
Contract Purchase net of Amortization	-	75,000
Loan Receivable from Affiliate	5,500,000	5,500,000
Deferred Tax Asset	87,579	63,450
Security Deposit	958	720
Total Other Assets	5,588,537	5,639,170
Total Assets	**$ 7,846,462**	**$ 7,982,961**
Liabilities and Stockholder's Equity		
Current Liabilities		
Accounts Payable	$ 110,370	$ 252,758
Accounts Payable - Expleo India / Affiliates	3,006,812	4,052,408
Unearned Revenues	83,724	68,513
Customer Contract Liabilities	172,693	174,319
Advances from Customers	15,270	71,492
Accrued Expenses	261,727	253,834
Accrued Income Taxes	39,420	31,249
Total Current Liabilities	3,690,016	4,904,573
Stockholder's Equity		
Common Stock - 0.01 Cent par value; 10,000 shares authorized and 3,000 shares issued	30	30
Additional Paid-in Capital	99,970	99,970
Retained Earnings	4,056,446	2,978,388
Total Stockholder's Equity	4,156,446	3,078,388
Total Liabilities and Stockholder's Equity	**$ 7,846,462**	**$ 7,982,961**

See independent auditor's report and accompanying notes to the financial statements

EXPLEO SOLUTIONS INC
STATEMENTS OF INCOME
For the Years Ended March 31, 2026 and 2025

	2026	2025
Operating Revenues		
Sales Revenues - Contracts	$ 11,095,914	$ 6,349,494
Total Operating Revenues	11,095,914	6,349,494
Cost of Sales (Schedule I)	(8,711,908)	(4,561,954)
Gross Profit/(Loss)	2,384,006	1,787,540
Operating Expenses (Schedule II)	(1,496,115)	(1,066,165)
Income/(Loss) from Operations	887,891	721,375
Other Non-Operating Income/Expenses		
Interest/Other Income	560,957	152,837
Interest Expense	-	-
Income/(Loss) before provision for Income Taxes	1,448,848	874,212 -
Income Tax Expense	(370,790)	(264,709)
Net Income/(Loss)	**$ 1,078,058**	**$ 609,503**

See independent auditor's report and accompanying notes to the financial statements

EXPLEO SOLUTIONS INC
STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY
For the Years Ended March 31, 2026 and 2025

	Common Stock	Additional Paid-in Capital	Retained Earnings	Total
Balance at 04/01/2024	$ 30	$ 99,970	$ 2,368,885	$ 2,468,885
Contribution/Return of capital	-	-	-	-
Net Income/(Loss)	-	-	609,503	609,503
Balance at 03/31/2025	30	99,970	2,978,388	3,078,388
Contribution/Return of Capital	-	-		-
Net Income/(Loss)	-	-	1,078,058	1,078,058
Balance at 03/31/2026	**$ 30**	**$ 99,970**	**$ 4,056,446**	**$ 4,156,446**

See independent auditor's report and accompanying notes to the financial statements

EXPLEO SOLUTIONS INC
STATEMENTS OF CASH FLOWS
For the Years Ended March 31, 2026 and 2025

	2026	2025
Cash Flows From Operating Activities		
Net Income	$ 1,078,058	$ 609,503
Adjustment to Reconcile Changes in Net Income to Net Cash Provided by/(used in) Operating Activities:		
Depreciation/ Amortization Expense	75,704	75,704
(Increase)/Decrease in:		
Accounts Receivable-Expleo India	-	-
Accounts Receivable - Affiliate/ Others	559,268	(365,666)
Unbilled Revenues (Contract Assets)	(71,472)	170,869
Interest Receivable from Affiliate	(71,061)	20,973
Loans & Advances	2,969	20,246
Prepaid Expenses	(32,178)	9,733
Deferred Tax Asset	(24,129)	(11,868)
Security Deposit	(238)	-
Increase/(Decrease) in:		
Accounts Payable	(142,388)	170,641
Accounts Payable - Expleo India / Affiliates	(1,045,596)	843,779
Unearned Revenues	15,211	28,831
Customer Contract Liabilities	(1,626)	174,319
Advances from Customers	(56,222)	71,492
Accrued Expenses	7,893	73,837
Accrued Income Taxes	8,171	(9,130)
Net Cash Provided by/(used in) Operating Activities	302,364	1,883,263
Cash Flows From Investing Activities		
Contract Purchase	-	-
Fixed Asset Purchase	-	-
Net Cash Provided by/(used in) Investing Activities	-	-
Cash Flows From Financing Activities		
Loan Paid to Affiliate	-	(5,500,000)
Loan Returned from Affiliate	-	1,400,000
Net Cash Provided by/(used in) Financing Activities	-	(4,100,000)
Net Increase/(Decrease) in Cash and Cash Equivalents	302,364	(2,216,737)
Cash and Cash Equivalents: Beginning of Year	539,568	2,756,305
Cash and Cash Equivalents: End of Year	**$ 841,932**	**$ 539,568**
Supplemental Disclosure:		
Cash paid for Interest	$ -	$ -
Cash paid for Income Taxes	$ 392,815	$ 285,707

See independent auditor's report and accompanying notes to the financial statements

Note 1. Organization

Expleo Solutions Inc. was incorporated on April 29, 2002 in the State of Delaware. Expleo Solutions Inc. (Expleo/ the Company) is a wholly owned subsidiary of Expleo Solutions Limited (Expleo India) a public limited corporation in India. Expleo is a software service firm that provides software validation and verification services to the Banking and Financial Services industry located throughout the United States.

Note 2. Summary of Significant Accounting Policies

This summary of significant accounting policies of Expleo Solutions is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who are responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles in the United States of America and have been consistently applied in the preparation of the financial statements.

a) Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred. Accordingly, all significant receivables, payables, and other liabilities are recorded.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amount of revenues and expenses during the reporting period. Actual events and results could differ from those assumptions and estimates.

c) Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, cash is defined as unrestricted cash balances and investments with original maturities of three months or less. As of March 31, 2026 and 2025, there were no restricted cash balances and investments.

d) Concentrations of Credit Risk

Financial instruments that potentially subject the Company to credit risk consist primarily of cash and cash equivalents. Cash and cash equivalents are deposited with federally insured commercial banks in the United States.

Note 2. Summary of Significant Accounting Policies – (Cont'd)

e) Accounts Receivable

Trade accounts receivable are stated at net of allowance for collection loss. The Company establishes an allowance for uncollectible trade accounts receivable based on historical collection experience and management's evaluation of collectability of outstanding accounts receivable. No collateral is required for securing accounts receivable.

f) Loans Receivable

Lons receivable are stated at unpaid principal balances net of allowance for loan losses. Interest Income is recorded on an accrual basis based on daily balances. Interest income generally is not recognized on specific impaired loans unless the likelihood of further loss is remote. Interest payments received on such loans are applied as a reduction of the loan principal balance. Interest income on other impaired loans is recognized only to the extent of interest payments received.

g) Property, Plant and Equipment

For financial reporting purposes, depreciation of property, plant and equipment is provided on the straight-line method. The estimated useful lives of the assets are as follows:

Computers	3 years

All property, plant and equipment with acquisition costs of 5,000 INR, which is converted to US dollars (approximately equal to $53 converted at the exchange rate of INR 93.924 per US Dollar as of March 31, 2026) according to the exchange rate applicable at the time of purchase and useful life of over one year, is capitalized. The cost of assets sold, retired, or otherwise disposed of and the related accumulated depreciation are eliminated from the accounts, and any resulting gain or loss is included in statement of income and retained earnings. Expenditures for maintenance and repairs are charged against operations. Renewals and betterments that materially extend the life of an asset are capitalized.

h) Revenue Recognition

The company generates revenue from professional services rendered. Revenue is recognized for the services performed while the corresponding costs of providing those services are reflected as cost of sales. Revenue represents services billed to customers. During the prior year, the Company invoiced the parent company for onsite services rendered to customers in the United States at cost plus margin based on prior transfer pricing study.

Note 2. Summary of Significant Accounting Policies – (Cont'd)

h) Revenue Recognition (cont'd)

Unbilled revenues (contract assets) represent revenue for services performed but not yet billed until the subsequent period. Unearned revenues (contract liabilities) represent advances received prior to providing services which are recognized as revenue when services are performed.

During the prior year, the company billed customers on behalf of the parent company, which in turn, billed the subsidiary for the same amount. These billing and charges were offset each other as per the company's prior transfer pricing study.

i) Cost of Sales/ Transfer Pricing

Costs of sales primarily consist of employee payroll costs, related payroll taxes and benefits, business travel expenses, amounts paid to Expleo India for support services rendered to the customers and professional services for consultants on the projects. According to the new transfer pricing study, the company retains arms length gross margin on sales and the parent company bills the subsidiary for the residual profits.

j) Operating Expenses

Operating expenses are general and administrative in nature, which include recruiting, marketing, rent etc., which are not directly related to any specific client project, but provide for the overall support and direction of Expleo Solutions Inc.

k) Income Taxes

The Company provides for income taxes on the basis of United States generally accepted accounting principles (as codified by Financial Accounting Standards Board) which requires recognition of deferred taxes based on the differences between the financial statement and the tax basis of assets and liabilities at enacted rates in effect in the years in which the differences are expected to reverse. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

l) Advertising

The Company expenses the costs of advertising, including promotional expenses, as incurred.

m) Subsequent Events

Management considered subsequent events through the date of issuance of this report (May 6, 2026).

Note 2. Summary of Significant Accounting Policies – (Cont'd)

n) New Accounting Pronouncements

Revenue Recognition

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers: Topic 606. This ASU supersedes the revenue recognition requirements in Topic 605, Revenue Recognition, and most industry-specific guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Management believes the standard improves the usefulness and understandability of the Organization's financial reporting. The Organization adopted this ASU on April 1, 2021 using a full retrospective method of application. As a result, no cumulative effect adjustment was recorded upon adoption.

Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognizes revenue and therefore no change to the previously issued audited financial statements were required. The presentation and disclosure of revenues have been enhanced in accordance with the standard.

Accounting for Leases

On February 25, 2016, the FASB issued ASU 2016-02 (Topic 842), "Leases," which will require lessees to recognize a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term.

The FASB's new standard, Leases (ASC 842), represents the first comprehensive overhaul of lease accounting since FAS 13 was issued in 1976. There are elements of the new standard that could impact almost all entities to some extent, although lessees will likely see the most significant changes. The standard is effective for nonpublic business entities for fiscal years beginning after December 15, 2020.

In November 2019, a deferral was issued for nonpublic entities in recognition of the challenges encountered in the implementation of a major standard. The second deferral for nonpublic entities, in June 2020, was issued because of disruptions caused by the coronavirus pandemic. Private companies now have a deferral option to apply *ASU 2016-02 Leases (Topic 842)* to fiscal year beginning after December 15, 2021. The Company currently maintains month to month leases, which are not impacted by the changes required by this new pronouncement.

Note 2. Summary of Significant Accounting Policies – (Cont'd)

n) New Accounting Pronouncements (Cont'd)

Financial Instruments/ Credit Losses

In June 2016, the FASB issued ASU 2016-13 (Topic 326), "Financial Instruments/ Credit Losses," which introduces a new model for recognizing credit losses on financial instruments based on an estimate of current expected credit losses. The ASU also provides updated guidance regarding the impairment of available-for-sale debt securities and includes additional disclosure requirements.

The standard's main goal is to improve financial reporting by requiring earlier/timely recognition of credit losses on financing receivables and other financial assets in scope. The current expected credit loss standards (CECL) is effective for nonpublic business entities for fiscal years beginning after December 15, 2022.

Upon adoption, ASU 2016-13 provides for a modified retrospective transition by means of a cumulative-effect adjustment to equity as of the beginning of the period in which the guidance is effective, except for debt securities for which an other-than-temporary impairment has previously been recognized. The Company already recorded collection losses for the year ended March 31, 2023, therefore, there was no further impact on the prior year financials, which are required by this new pronouncement.

Improvements to Income Tax Disclosures

The amendments relating to FASB ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures are designed to provide more transparency about income tax information primarily through changes to the rate reconciliation and income taxes paid information.

For entities other than public business entities, the amendments in FASB ASU No. 2023-09 require qualitative disclosures about specific categories of reconciling items and individual jurisdictions that result in a significant difference between the statutory rate and the effective tax rate.

All entities are required to disclose the following information on annual basis related to income taxes paid:

- The amount of income taxes paid (net of refunds received) disaggregated by federal, state, and foreign taxes.
- The amount of income taxes paid (net of refunds received) disaggregated by individual jurisdictions in which income taxes paid (net of refunds received) is equal to or greater than 5% of total income taxes paid (net of refunds received)

Note 2. Summary of Significant Accounting Policies – (Cont'd)
n) New Accounting Pronouncements (Cont'd)

Improvements to Income Tax Disclosures (Cont'd)

Other disclosures: All entities are required to disclose the following information:

- Income (or loss) from continuing operations before income tax expense (or benefit) disaggregated between domestic and foreign
- Income tax expense (or benefit) from continuing operations disaggregated by federal, state, and foreign

For entities other than public business entities, FASB ASU No. 2023-09 is effective for annual periods beginning after December 15, 2025.

Note 3. Cash and Cash Equivalents

For purposes of statements of cash flows, Expleo Solutions considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The Company maintains its cash accounts at banks, which are guaranteed by the FDIC up to $ 250,000. As of March 31, 2026 and 2025, the Company's uninsured cash balances were as follows:

	Mar. 31, 2026		Mar. 31, 2025	
Carrying Value	$	841,932	$	539,568
Portion insured by FDIC	$	250,000	$	250,000
Portion uninsured by FDIC	$	591,932	$	289,568

Note 4. Accounts Receivable – Affiliates/Others

Accounts Receivable – Affiliates/Others represent amounts billed to customers. Such balances amounted to $721,518 and $1,280,786 as of March 31, 2026 and 2025, respectively. It also includes balances due from US subsidiaries of the ultimate parent company (Expleo Technology USA Inc) in the amounts of $-0- and $39,468 as of March 31, 2026 and 2025, respectively. Allowance for Collection Loss amount to $-0- and $-0 a s of March 31, 2026 and 2025, respectively. Bad debt written off amounted to $-0- and $-0- respectively for the years ended March 31, 2026 and March 31, 2025.

Note 5. Unbilled Revenues (Contract Assets)

Unbilled Revenues (Contract Assets) represent revenue for services performed but not yet billed until the subsequent period. Such balances amounted to $539,575 and $468,103 as of March 31, 2026 and 2025, respectively.

Note 6. Loan/ Interest Receivable from Affiliate

Expleo provided loan of $1,000,000 to Expleo Services SASU on June 6, 2022, repayable on demand. The loan was increased to $1,400,000 on March 14, 2023. This loan was returned in full on January 30, 2025. A new loan agreement was executed between the parties on February 17, 2025 for a total loan amount up to $14,000,000. The loan receivable amounted to $5,500,000 as of March 31, 2026 and March 31, 2025. The interest rate is the overnight rate index with an annual margin of 4.90%. The total interest rate was 8.58% as of March 31, 2026 and the interest is calculated on a daily basis. Interest is payable quarterly within the month after the quarter end. If interest payment is delayed, penalty of 2% p.a. will be charged for the number of days for which the payment is delayed. Interest Income earned during the years ended March 31, 2026 and 2025 were $500,562 and $152,837, respectively. Interest accrued as of March 31, 2026 and 2025 were $117,703 and $46,642, respectively. This loan is considered as unsecured. The loan terms are from February 17, 2025 to February 16, 2030. Repayment of the loan is expected at the earliest of three years of the date of grant of the loan, or termination of the agreement. Any change of control in the management or shareholders of the borrowing entity will trigger termination of this agreement. Any default in payments will also trigger termination of this agreement.

Note 7. Loans & Advances

The Company provides advances to employees to meet their expenses during relocation or temporary assignments away from their home location. These advances are adjusted when the employee's expense bills are submitted or salary advances are repaid by the employees. Advances also include fees paid to government for immigration matters and tax overpayments. As of March 31, 2026 and 2025, loans & advances amounted to $103 and $3,072 respectively. These advances bear no interest.

Note 8. Prepaid Expenses

Prepaid expenses included amounts paid in advance for insurance, dues and subscription. As of March 31, 2026 and 2025, prepaid expenses amounted to $36,941 and $4,763, respectively.

Note 9. Property and Equipment

Property and equipment included computer equipment purchased for business purposes at a cost of $2,796 and $2,796 as of March 31, 2026 and 2025, respectively. The accumulated depreciation as of March 31, 2026 and 2025 amounted to $2,643 and $1,939, respectively. The depreciation expense for the years ended March 31, 2026 and 2025 amounted to $704 and $704 respectively. Dispositions amounted to $-0- and $-0- respectively, for the years ended March 31, 2026 and 2025.

Note 10. Contract Purchase net of Amortization

Expleo Solutions Inc has entered into a Master Assignment Agreement with Lucid Technologies and Solutions LLC, through which Expleo acquired Lucid's commercial contracts, effective April 1, 2022. These customer agreements are intangible assets with finite life. The acquisition costs amounted to $300,000. The cost is amortized over 48 months on a straight-line basis. During the fiscal years ended March 31, 2026 and 2025, amortization expense amounted to $75,000 and $75,000 respectively. The accumulated amortization amount were $300,000 and $225,000 as of March 31, 2026 and 2025. The net book value were $-0- and $75,000 as of March 31, 2026 and 2025.

Lucid is engaged in the activity of Data Governance, Data Security and analytics led by their IP driven accelerators and capabilities. Lucid partners with leading data governance platform vendors. They have marquee clients in the US delivering value through their proprietary tools, assets and Agile, CMMi and PSP methodologies.

Note 11. Deferred Tax Asset

Deferred tax asset balance amounted to $87,579 and $63,450 as of March 31, 2026 and 2025, respectively. The calculation of deferred tax asset is explained in more detail under income tax note.

Note 12. Security Deposits

The Company has security deposit of $958 and $720 as of March 31, 2026 and 2025, respectively.

Note 13. Accounts Payable

Accounts payable includes outstanding invoices due to vendors. As of March 31, 2026 and 2025, the balances amounted to $110,370 and $252,758 respectively.

Note 14. Accounts Payable – Expleo India/Affiliates

Accounts payable includes outstanding invoices due to Expleo India and Affiliates. As of March 31, 2026 and 2025, the balances amounted to $3,006,812 and $4,052,408 respectively.

Note 15. Unearned Revenues

Unearned Revenues amounted to $83,724 and $68,513 as of March 31, 2026 and 2025 respectively.

Note 16. Customer Contract Liabilities

Customer Contract Liabilities amounted to $172,693 and $174,319 as of March 31, 2026 and 2025 respectively.

Note 17. Advances from Customers

Advances from Customers amounted to $15,270 and $71,492 as of March 31, 2026 and 2025 respectively.

Note 18. Accrued Expenses

Accrued expenses include sales and marketing expenses, professional fees for services rendered, travel and immigration related expenses incurred during the reporting period. As of March 31, 2026 and 2025, accrued expenses amounted to $261,727 and $253,834 respectively.

Note 19. Accrued Income Taxes

Accrued income taxes consist of federal and state corporate income taxes owed by the Company less the amount of estimated tax payments made during the fiscal year. As of March 31, 2026 and 2025, they amounted to $39,420 and $31,249 respectively.

Note 20. Stockholder's Equity

During the years ended March 31, 2026 and 2025, parent Company Expleo India did not contribute any additional funds to Equity.

Note 21. Foreign Operations

Expleo India, the parent company, provides professional services to the customers in the USA. Under the new transfer pricing methodology, Expleo India bills the company for the cost of services rendered. During the previous year, Expleo Solutions Inc has billed Expleo India for its revenues at cost plus margin basis for onsite services in accordance with the previous transfer pricing study.

Note 22. Income Taxes

The Company files income tax returns in the U.S. federal and various state jurisdictions. During the years ended March 31, 2026 and 2025, the Company's federal and state tax expense / (benefit) amounted to $407,275 and $264,709, respectively. Deferred income taxes are provided for the temporary differences between the financial reporting basis and the tax basis of the Corporation's assets and liabilities. Differences are primarily attributable to allowances for doubtful debts, variable pay and sales incentive accrual, leave encashment accrual, and book and tax depreciation/amortization amounts.

For the years ended March 31, 2026 and 2025, the effective tax rate approximated the combined federal and state statutory rate of 28.11% and 30.28%, respectively. The deferred income taxes recognized in the balance sheets at March 31, 2026 and 2025, were $87,579 and $63,450 respectively. Management has determined that no valuation allowance related to deferred tax assets is necessary at March 31, 2026 and 2025. The Company is no longer subject to U.S. federal, state and local income tax examinations by tax authorities for years ended before March 31, 2023. No significant interests and penalties related to taxes were incurred or accrued. Current and Deferred taxes are as follows:

	Mar. 31, 2026	Mar. 31, 2025
State Tax Current	$ 135,160	$ 105,722
Federal Tax Current	259,759	170,855
State Tax Deferred	(2,562)	(2,664)
Federal Tax Deferred	(21,567)	(9,204)
Total Tax	$ 370,790	$ 264,709

Note 23. Operating Lease

The Company leases offices in NJ and GA. The NJ annual lease expired on April 30, 2026 and renewed for another year up to April 30, 2027. The GA annual lease expires on June 14, 2026 and auto renewed for another year. Rental expenses incurred for the years ended March 31, 2026 and 2025 amounted to $10,464 and $12,122 respectively. The future minimum lease payments for the NJ lease are as follows:

Fiscal Year Ending: March 31, 2027	$ 3,120
Fiscal Year Ending: March 31, 2028 (till April 30, 2027)	$ 262

The future minimum lease payments for the GA lease are as follows:

Fiscal Year Ending: March 31, 2027	$ 8,640
Fiscal Year Ending: March 31, 2028 (till June 14, 2027)	$ 2,160

Note 24. Concentration

Due to changes in the transfer pricing methodology, billing to customer is considered as revenue to the company during the current year. However, during the prior year, 100% of the sales revenue is based on billing the parent company for onsite services rendered in the USA to various customers, at cost plus margin as per prior transfer pricing methodology. Sales to a related party Expleo Technology USA Inc amounted to 1% and 2% respectively during the years ended March 31, 2026 and 2025. Similarly, accounts receivable from the related parties accounted for 0% and 3%, respectively as of the same periods.

Sales / billing to one unrelated customer accounted for 66 % and 63 % of the total billings during the years ended March 31, 2026 and 2025, respectively. Similarly, two unrelated customers accounted for 79% and 74% and three unrelated customers accounted for 90% and 79% of the total billings during the same periods.

Accounts Receivable from one unrelated customer accounted for 58% and 42% as of March 31, 2026 and 2025, respectively. Accounts receivable from two unrelated customers accounted for 91% and 61% and three unrelated customers accounted for 97% and 73 %, respectively as of the same periods. The Company does not require collateral or other security to support accounts receivable. To reduce credit risk, management performs ongoing credit evaluations of its customers' financial condition. The Company maintains allowances for potential credit losses.

The Company maintains its cash in a bank deposit account located in New York, which, at times, may exceed federally insured limit of $ 250,000. As of March 31, 2026, and 2025, the uninsured cash balances were $ 591,932 and $ 289,568 respectively (Note 3).

Note 25. Subsequent Events

No Significant subsequent events were identified by management.

Note 26. Risks and Uncertainties

The company has sufficient capital and retained earnings to avoid any potential going concern issues within the one-year period after the date the financial statements are available to be issued. Current global economic conditions, inflationary factors, and geopolitical issues are considered as additional business risk factors.

Note 27. Sources and Timing of Revenue Recognition

The Company provided software services to customers during the fiscal years ended March 31, 2026 and 2025, as shown below:

Segments	Mar. 31, 2026	Mar. 31, 2025
Services Transferred Over Time	$ 11,095,914	$ 6,349,494
Total	**$ 11,095,914**	**$ 6,349,494**

Geographic Markets	Mar. 31, 2026	Mar. 31, 2025
North America	$ 10,963,257	$ 6,073,867
Other Countries	132,657	275,627
Total	**$ 11,095,914**	**$ 6,349,494**

Note 28. 401(k) Pension Plan

The Company sponsors a 401(k) defined contribution plan (the "401(k) Plan") for substantially all of its employees. Eligible employees may make pre-tax/post-tax contributions to the 401(k) Plan up to statutory limits. The Company makes 4 % safe harbor and discretionary annual matching contributions to the 401(k) Plan. The company-recognized expense for matching contributions was $ 35,391 and $ 5,150 for the years ended March 31, 2026 and 2025, respectively

Note 29. Related Party Transactions

Expleo India, the parent company of Expleo Solutions, undertakes full responsibility for project execution, provides operational and management direction, technical literatures, and training for implementation of projects. The company entered into various related party transactions as noted below and all transactions are executed at arm's length with supporting documents. The transfer pricing model and related billing from Expleo India was updated for the current year utilizing cost plus margin method. The compensation to Expleo is determined as arm's length return on sales as per the benchmarking study and the residual is billed by Expleo India to the company. During the year ended March 31, 2026, the parent company billed Expleo Solutions for services rendered $4,666,803 under the revised transfer pricing model. During the prior year, Expleo Solutions Inc billed the parent company $6,349,494 for services rendered to Expleo India. Gross profit reduced by 7 % year over year and income before taxes reduced by just 1 % during the same periods.

EXPLEO SOLUTIONS INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2026 AND 2025

a) Related Parties and their relationship

i) Parent Company:
Expleo Solutions Limited, India

ii) Entities under common control
Expleo Technology USA Inc.
Expleo Services SASU, France
Expleo USA Inc
SC EXPLEO ROMANIA SRL

b) Transactions with Related Parties

Description	Nature of Relationship	Name of the related Party	For the year ended March 31, 2026	For the year ended March 31, 2025
Income				
Income from the service rendered				
	Holding Company	Expleo Solutions Limited, India	-	6,349,494
	Entities under common control	Expleo Technology USA Inc.	109,828	270,450
Cost Reimbursement Received				
Interest income	Entities under common control	Expleo Services SASU, France	500,562	152,837
Expenses				
Expenses for services rendered	Holding Company	Expleo Solutions Limited, India	4,666,803	-
	Entities under common control	SC EXPLEO ROMANIA SRL	102,910	157,837
	Entities under common control	Expleo USA INC	52,936	-
	Entities under common control	Expleo Technology USA, Inc	37,001	-
Cost Reimbursement Paid				
	Entities under common control	SC EXPLEO ROMANIA SRL	2,095	3,719
	Entities under common control	Expleo Technology USA Inc.	15,000	18,102
	Entities under common control	Expleo France - S.A.S.U	11,420	-
	Entities under common control	Expleo USA INC	-	102,896
Other Transactions				
Loan given	Entities under common control	Expleo Services SASU, France	-	5,500,000
Loan repayment received	Entities under common control	Expleo Services SASU, France	-	-1,400,000

Description	Nature of Relationship	Name of the related Party	March 31, 2026	March 31, 2025
Outstanding Balances				
Amounts Receivable (Net)				
	Entities under common control	Expleo Technology USA Inc.	-	39,468
Amounts Payable to				
	Holding Company	Expleo Solutions Limited, India	2,944,887	4,023,673
	Entities under common control	Expleo Technology USA Inc.	22,357	3,750
	Entities under common control	Expleo France - S.A.S.U	11,420	-
	Entities under common control	Expleo USA Inc.	-	7,767
	Entities under common control	SC EXPLEO ROMANIA SRL	28,149	17,218
Outstanding balance of loan given	Entities under common control	Expleo Services SASU, France	5,500,000	5,500,000
Interest receivable on loan	Entities under common control	Expleo Services SASU, France	117,703	46,642

EXPLEO SOLUTIONS INC
SCHEDULES OF COST OF SALES
For the Years Ended March 31, 2026 and 2025

Costs of Sales	2026	2025
Payroll Expenses	$ 1,467,354	$ 1,240,303
Payroll Taxes & Benefits	263,084	206,829
Project Consultant Cost	6,767,936	2,980,521
Project Implementation Costs	213,534	134,301
Total Cost of Sales	**$ 8,711,908**	**$ 4,561,954**

See independent auditor's report and accompanying notes to the financial statements

EXPLEO SOLUTIONS INC
SCHEDULES OF OPERATING EXPENSES
For the Years Ended March 31, 2026 and 2025

Operating Expenses	2026	2025
Salaries & Wages	$ 490,630	$ 585,428
Travel & Immigration Expenses	35,369	31,969
Marketing Expenses	90,468	50,229
Payroll Taxes & Benefits	74,783	124,787
Professional Fees	328,298	33,277
Sales Commission	278,026	115,703
Insurance	8,381	1,041
Recruitment and Training Expenses	19,999	4,812
Rent	10,464	12,122
Office Expense/ Miscellaneous	82,236	29,225
Telecommunication	1,757	1,868
Depreciation/ Amortization	75,704	75,704
Total Operating Expenses	**$ 1,496,115**	**$ 1,066,165**

See independent auditor's report and accompanying notes to the financial statements