Uniparts Olsen Inc.

Financial Statements
March 31, 2026, and March 31, 2025

KNAV CPA LLP

Certified Public Accountants
One Lakeside Commons, Suite 850
990 Hammond Drive NE, Atlanta, GA 30328

America Counts on CPAs

Table of Contents

PARTNERS BEYOND BOUNDARIES

Independent Auditor's Report

To the Board of Directors,
Uniparts Olsen Inc.

Opinion

We have audited the financial statements of Uniparts Olsen Inc., ('the Company'), which comprise the balance sheets as of March 31, 2026, and March 31, 2025, and the related statements of income, stockholder's 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 the Company as of March 31, 2026, and March 31, 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 the Company 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 the Company'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 controls. 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.

KNAV CPA LLP
Certified Public Accountant
One Lakeside Commons, Suite 850, 990 Hammond Drive NE, Atlanta, GA 30328 T 1 678 584 1200 F 1 770 676 6082 E admin@knavcpa.com

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 the Company'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 the Company'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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is 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.

KNAV CPA LLP

Atlanta, Georgia
May 06, 2026

Financial Statements

Balance sheets

(All amounts are in United States Dollars, unless otherwise stated)	Notes	As of March 31, 2026	March 31, 2025
ASSETS			
Current assets			
Cash	C	269,712	1,042,466
Accounts receivable, net	D	2,271,390	1,846,838
Inventories, net	E	14,214,510	12,294,382
Short-term investments		57,916	-
Prepaid expenses and other current assets		228,237	163,465
Due from parent		1,566,064	2,110,963
Total current assets		**18,607,829**	**17,458,114**
Property and equipment, net	F	3,163,293	2,436,110
Capital work-in-progress		221,860	680,794
Goodwill		6,909,650	6,909,650
Other intangible assets	G	25,756	36,218
Operating lease right-of-use assets	L	1,364,111	1,842,054
Finance lease right-of-use assets	L	138,354	-
Prepaid taxes		-	66,156
Total non-current assets		**11,823,024**	**11,970,982**
Total assets		**30,430,853**	**29,429,096**
LIABILITIES AND STOCKHOLDER'S EQUITY			
Current liabilities			
Current portion of operating lease obligations	L	380,289	420,758
Current portion of finance lease obligations	L	32,115	-
Accounts payable		891,886	832,669
Due to related parties	P	1,206,177	438,070
Current portion of long-term debt	I	373,464	118,824
Accrued expenses and other current liabilities		572,038	267,264
Provision for taxation		358,095	-
Total current liabilities		**3,814,064**	**2,077,585**
Non-current liabilities			
Operating lease obligations, net of current portion	L	1,069,526	1,524,293
Finance lease obligations, net of current portion	L	109,792	-
Long-term debt, net of current portion	I	910,056	137,618
Deferred tax liability, net	M	2,802,196	2,438,825
Total non-current liabilities		**4,891,570**	**4,100,736**
Total liabilities		**8,705,634**	**6,178,321**
Stockholder's equity			
Common stock - $ 1 par value, 1,224,301 shares authorized, issued and outstanding	Q	1,224,301	1,224,301
Additional paid-in capital		2,745,898	2,720,810
Retained earnings		17,755,020	19,305,664
Total stockholder's equity		**21,725,219**	**23,250,775**
Total liabilities and stockholder's equity		**30,430,853**	**29,429,096**

(The accompanying notes are an integral part of these financial statements)

Statements of income

(All amounts are in United States Dollars, unless otherwise stated)

	Notes	For the year ended March 31, 2026	March 31, 2025
Revenues, net	K	38,767,567	34,471,477
Less: Cost of goods sold (excluding depreciation and amortization expense)		(31,715,013)	(29,841,326)
Other revenue	K	197,833	68,416
Gross profit		**7,250,387**	**4,698,567**
Selling, general, and administrative expenses		3,418,563	2,873,734
Depreciation and amortization expenses	F & G	574,739	471,904
Total cost and expenses		**3,993,302**	**3,345,638**
Income from operations		**3,257,085**	**1,352,929**
Other income (expense)			
Interest expense	I & L	(62,696)	(20,784)
Loss on disposal of property and equipment (net)		-	(8,934)
Income from short-term investments		42,589	-
Total other income (expense)		**(20,107)**	**(29,718)**
Income before taxes		**3,236,978**	**1,323,211**
Income tax expense			
Current tax expense	M	424,251	121,563
Deferred tax expense	M	363,371	248,523
Total income tax expense		**787,622**	**370,086**
Net income for the year		**2,449,356**	**953,125**

(The accompanying notes are an integral part of these financial statements)

Statement of changes in stockholder's equity
For the years ended March 31, 2026, and March 31, 2025

(All amounts are in United States Dollars, except the number of shares)

	Common stock						
	Authorized		Issued and outstanding				
Particulars	**Shares**	**Value**	**Shares**	**Value**	**Additional paid-in capital**	**Accumulated surplus**	**Total stockholder's equity**
Balance as of March 31, 2024	**1,224,301**	**1,224,301**	**1,224,301**	**1,224,301**	**2,712,737**	**19,852,539**	**23,789,577**
Employee stock options	-	-	-	-	8,073	-	8,073
Net income for the year	-	-	-	-	-	953,125	953,125
Dividend paid	-	-	-	-	-	(1,500,000)	(1,500,000)
Balance as of March 31, 2025	**1,224,301**	**1,224,301**	**1,224,301**	**1,224,301**	**2,720,810**	**19,305,664**	**23,250,775**
Employee stock options	-	-	-	-	25,088	-	25,088
Net income for the year	-	-	-	-	-	2,449,356	2,449,356
Dividend paid	-	-	-	-	-	(4,000,000)	(4,000,000)
Balance as of March 31, 2026	**1,224,301**	**1,224,301**	**1,224,301**	**1,224,301**	**2,745,898**	**17,755,020**	**21,725,219**

(The accompanying notes are an integral part of these financial statements)

Statements of cash flows

(All amounts are in United States Dollars, unless otherwise stated)

	For the year ended	
	March 31, 2026	**March 31, 2025**
Cash flows from operating activities		
Net income	**2,449,356**	**953,125**
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	574,739	471,904
Deferred tax expense	363,371	248,523
Employee stock options	25,088	8,073
Loss on disposal of property and equipment	-	8,934
Changes in assets and liabilities		
Accounts receivable, net	(424,552)	393,717
Inventories, net	(1,920,128)	3,188,077
Prepaid expenses and other current assets	(64,770)	16,780
Operating lease right-of-use assets and lease liabilities, net	(17,293)	(2,506)
Due from parent	544,899	143,161
Accounts payable	59,217	(76,436)
Due to related parties	768,107	(1,096,126)
Accrued expenses and other current liabilities	304,770	(463,640)
Provision for taxation and prepaid taxes, net	424,251	(569,337)
Net cash provided by operating activities	**3,087,055**	**3,224,249**
Cash flows from investing activities		
Purchase of property and equipment and capital work in progress	(797,937)	(953,962)
Purchase of short-term investments, net	(57,916)	-
Net cash used in investing activities	**(855,853)**	**(953,962)**
Cash flows from financing activities		
Proceeds from term loan	1,273,220	-
Repayment of term loans	(246,142)	(131,455)
Dividend paid	(4,000,000)	(1,500,000)
Repayment of finance lease obligations	(31,034)	-
Net cash used in financing activities	**(3,003,956)**	**(1,631,455)**
Net (decrease) increase in cash	(772,754)	638,832
Cash at the beginning of the year	1,042,466	403,634
Cash at the end of the year	**269,712**	**1,042,466**
Supplemental disclosure of cash flow information		
Interest paid	57,936	21,807
Income taxes paid, net of refunds	-	691,857
Non-cash investing activity		
Right of use assets acquired in exchange for operating lease obligations	-	333,016
Decrease in right of use assets in exchange for finance lease obligations due to lease term modification	(124,918)	-
Right of use assets acquired in exchange for finance lease obligations	172,941	-

(The accompanying notes are an integral part of these financial statements)

Notes to Financial Statements

(All amounts in United State Dollars, unless otherwise stated)

1. NATURE OF OPERATIONS

The operations of Uniparts Olsen Inc. (the "Company") consist of machining of metal parts and components as well as purchasing of machine parts from related party and third-party vendors for resale. The Company sells its products primarily to agricultural and construction equipment manufacturers in North America on credit terms established with each customer. The Company is a wholly owned subsidiary of Uniparts USA Ltd. (the "Parent")".

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the accompanying financial statements is as follows:

1. *Basis of preparation*

    i. The financial statements are prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting and reporting requirements of generally accepted accounting principles in the United States of America ('US GAAP') to reflect the financial position, results of operations, and cash flows of the Company.

    ii. The financial statements are for the years April 01, 2025, to March 31, 2026, and April 01, 2024, to March 31, 2025.

2. *Use of estimates*

    The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates used in determining, among other items include, expected credit loss, inventory valuation (which includes allowance for obsolescence and standard labor and overhead rates capitalized in inventory), goodwill impairment, useful lives of property and equipment and other intangible assets and deferred income taxes. Actual results could differ from those estimates.

3. *Cash*

    The Company considers all highly liquid investments purchased with maturities of three months or less at the time of acquisition to be cash for financial statement purposes. The Company's cash comprise of cash in hand, and balances with banks.

4. *Accounts receivable and expected credit losses*

    Accounts receivable are non-interest-bearing customer obligations due under normal trade terms, usually within 30 days of services provided. The Company applies collections of accounts receivable to specific invoices in accordance with customer specifications, or if unspecified, to the oldest outstanding invoices.

    Accounts receivable are recorded at the invoiced amount, net of allowance for credit losses. The Company regularly reviews the adequacy of the allowance for credit losses based on a combination of factors. In establishing any required allowance, management considers historical losses adjusted for current market conditions, the current receivables aging, current payment terms, and expectations of forward-looking loss estimates. The allowance for expected credit losses reflects management's estimate of lifetime expected credit losses inherent in accounts receivable.

5. *Inventories*

Inventories, which consist primarily of construction, agricultural, and forestry equipment parts and supplies, are stated at the lower cost or net realizable value and are net of an estimated allowance for obsolescence. Cost comprises all costs of purchase, costs of conversion, and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the moving average method. Net realizable value is the estimated selling price less applicable selling expenses. If the carrying value exceeds the net realizable amount, a write-down is recognized.

6. *Property and equipment, net and other intangible assets*

Property, equipment and software are carried at cost less accumulated depreciation. Leasehold improvements are amortized over the shorter of the term of the lease or the life of the assets. Depreciation is provided using the straight-line method over the estimated useful lives of the respective assets as follows:

Class of asset	Useful life
Shop equipment	3-10
Office equipment	3-7
Computer equipment	3-5
Furniture and Fixtures	7
Vehicle	5
Software	3-5

Expenditures for maintenance and repairs are charged to expense as incurred.

7. *Capitalized software costs*

The Company has developed an integrated software system and associated costs. The costs are amortized over a period of three years.

8. *Goodwill*

The Company evaluates goodwill when internal and external factors exist that indicate that the book value of goodwill could be impaired. Management evaluated goodwill for indicators of impairment as of March 31, 2026, and March 31, 2025, and concluded that no impairment charges were necessary.

9. *Impairment of long-lived assets*

The Company evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. Management evaluated long-lived assets for indicators of impairment as of March 31, 2026, and March 31, 2025, and concluded that no impairment charges were necessary.

10. *Fair value of financial instrument*

The Company applies fair value measurements to certain assets, liabilities, and transactions that are periodically measured at fair value.

Assets and liabilities recorded at fair value in the financial statements are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Hierarchical levels which are directly related to the amount of subjectivity associated with the inputs to the valuation of these assets or liabilities are as follows:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access as of the measurement date.

Level 2 – inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.

Level 3 – unobservable inputs for the asset or liability used only when there is little, if any, market activity for the asset or liability at the measurement date.

This hierarchy requires the Company to use observable market data, when available, and to minimize the use of unobservable inputs when determining fair value.

11. *Revenue recognition*

The Company recognizes revenue in accordance with ASC 606, Revenue from Contracts with Customers, when control of promised goods or services is transferred to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

The Company's primary performance obligation is the manufacture and sale of metal parts and components to customers. Revenue from the sale of products is recognized at a point in time when control of the products transfers to the customer, which generally occurs when products are either picked up by the customer or shipped from the Company's warehouse in accordance with the contractual shipping terms. Indicators of transfer of control include the Company's present right to payment, transfer of legal title, transfer of physical possession, and customer acceptance, as applicable.

Revenue is measured based on the consideration specified in contracts with customers and is recognized net of estimated trade discounts, rebates, returns, and allowances.

The Company accounts for shipping and handling activities performed after control of the product has transferred to the customer as fulfillment activities rather than separate performance obligations. Amounts billed to customers for shipping and handling are included in net sales, and the related shipping costs are included in cost of goods sold.

The Company also enters into consignment arrangements for the sale of specified products. Revenue from consignment arrangements is recognized on a net basis as other revenue in the statements of income, as the Company acts as an agent in these transactions.

Significant judgment is exercised in determining the timing of transfer of control, which is based on contractual shipping terms, transfer of legal title, right to payment, and customer acceptance provisions.

Practical expedients and contract costs
The Company applies the practical expedient available under ASC 606 and does not disclose the value of unsatisfied performance obligations for contracts with an original expected duration of one year or less. The Company did not have material contract assets or contract liabilities as of March 31, 2026, and March 31, 2025. Costs incurred to obtain or fulfill contracts are expensed as incurred, as the amortization period would generally be one year or less.

Revenue from consignment sales is recorded on a net basis as "Other revenue" under revenue from operations in the statements of income.

12. *Shipping and handling cost*

The Company classifies freight billed to customers as sales revenue, which is generally included in the list price to the customer. Freight costs are considered as fulfilment cost and recorded as a cost of product revenue. The Company does not consider shipping to be a separate performance obligation.

13. Income taxes

Income taxes are provided for tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes related primarily to differences between the basis for accounts receivable, inventory, net property and equipment, net goodwill, accrued expenses, and deferred rent for financial and income tax reporting. The Company's tax obligation is combined with the activities of its Parent in a consolidated return. The income tax provisions shown in the accompanying financial statements have been determined based solely on the operations of the Company. Current and deferred taxes are allocated to the Company using the separate return method. This method allocates income taxes to each member of the consolidated group based on its apportionment. Other non-consolidated state income taxes are also computed on a separate company basis.

The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax expense or benefit is recognized as a result of the change in the deferred tax assets or liabilities during the year.

The Company files consolidated tax returns along with its parent company in the U.S. federal jurisdiction and various states. Furthermore, the Company has no income tax related penalties or interest for the periods reported in these financial statements.

The Company has not recognized any uncertain tax positions in the financial statements as of March 31, 2026, and March 31, 2025.

14. Leases

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease. The Company's assessment is based on: (1) whether the contract involves the use of a distinct identified asset, (2) whether the Company obtains the right to substantially all the economic benefit from the use of the asset throughout the term of the contract, and (3) whether the Company has the right to direct the use of the asset. At the inception of a lease, the consideration in the contract is allocated to each lease component based on its relative standalone price to determine the lease payments.

Leases are classified as either finance leases or operating leases. A lease is classified as a finance lease if any one of the following criteria are met: (1) the lease transfers ownership of the asset by the end of the lease term, (2) the lease contains an option to purchase the asset that is reasonably certain to be exercised, (3) the lease term is for a major part of the remaining useful life of the asset or (4) the present value of the lease payments equals or exceeds substantially all of the fair value of the asset. A lease is classified as an operating lease if it does not meet any one of the above criteria.

For all leases at the lease commencement date, a right-to-use ("ROU") asset and a lease liability are recognized. The lease liability represents the present value of the lease payments under the lease. Lease liabilities are initially measured as the present value of the lease payments not yet paid, discounted using the discount rate for the lease at lease commencement. The lease liabilities are subsequently measured on an amortized cost basis. The lease liability is adjusted to reflect interest on the liability and the lease payments made during the period. Interest on the lease liability is determined as the amount that results in a constant periodic discount rate on the remaining balance of the liability.

The ROU asset represents the right to use the leased asset for the lease term. The ROU asset for each lease initially includes the amount of the initial measurement of the lease liability adjusted for any lease payments made to the lessor at or before the commencement date, accrued lease liabilities, and any lease incentives received, or any initial direct costs incurred by the Company.

The ROU asset of finance leases is subsequently measured at cost, less accumulated amortization and any accumulated impairment losses. The ROU asset of operating leases is subsequently measured from the carrying amount of the lease liability at the end of each reporting period, and is therefore equal to the carrying amount of lease liabilities adjusted for (1) unamortized initial direct costs, (2) prepaid/(accrued) lease payments, and (3) the unamortized balance of lease incentives received.

Leases with a lease term of 12 months or less from the commencement date that do not contain a purchase option are recognized as an expense on a straight-line basis over the lease term.

Significant judgements
The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has applied an incremental borrowing rate for the purpose of computing lease liabilities.

15. *Stock based compensation to employees*

The Company accounts for stock-based compensation expense relating to equity stock options that will be settled in shares of Uniparts India Limited (the "ultimate parent company"). The Company computes the fair value of options granted using the Black-Scholes option pricing model. An amount equal to such compensation expense for the period is credited to additional paid-in capital of the Company.

The Company recognized stock-based compensation for awards granted by the ultimate parent company that are expected to vest on a straight-line basis over the requisite service period of the awards. In respect of awards that have a graded vesting schedule and with only service conditions, compensation cost is recognized on a straight line basis over the requisite service period for each separate vesting portion of the award as if the award were, in substance, multiple awards. In determining whether an award is expected to vest, the Company uses an estimated forfeiture rate based on historical rates. The estimated forfeiture rate is updated annually to reflect actual forfeitures.

16. *Retirement benefits to employees*

Contributions to defined contribution plans are charged to statements of income in the period in which they accrue.

17. *Short term investments*

Short-term investments primarily comprise interests in exchange-traded funds and other marketable securities that invest in short-term U.S. Treasury instruments. These investments are measured at fair value, with unrealized gains and losses recognized under income from short term investments in the consolidated statements of income. Short term investment is subject to market price fluctuations and, therefore, it does not meet the definition of cash.

18. *Commitments and contingencies*

Liabilities for loss contingencies arising from claims, assessments, litigations, fines, penalties, and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

NOTE C - CASH

Cash comprises the following:

	As of March 31, 2026	As of March 31, 2025
Balances with banks	269,525	1,042,209
Cash in hand	187	257
Total	**269,712**	**1,042,466**

Cash balances with the bank are insured by the Federal Deposit Insurance Corporation up to an aggregate of $250,000.

NOTE D - ACCOUNTS RECEIVABLE, NET

Accounts receivable, net, comprise the following:

	As of March 31, 2026	As of March 31, 2025
Receivable from customers	2,275,390	1,850,838
Less: Allowance for expected credit losses	(4,000)	(4,000)
Accounts receivable, net	**2,271,390**	**1,846,838**

All of the Company's accounts receivable are pledged as collateral for the line of credit (Refer to note I).

NOTE E - INVENTORIES, NET

The composition of inventories as of March 31, 2026, is as follows:

	Total	Obsolescence allowance	Net amount
Raw material	1,779,274	(193,565)	1,585,709
Work in Progress	1,473,616	-	1,473,616
Finished goods	9,759,758	(225,189)	9,534,569
Supplies	1,620,616	-	1,620,616
Total	**14,633,264**	**(418,754)**	**14,214,510**

During the year ended March 31, 2026, the Company has written off inventory of $52,227 on account of obsolete and slow-moving inventory for discontinued parts by utilizing obsolescence allowance (March 31, 2025: write off by $628,129).

The composition of inventories as of March 31, 2025, is as follows:

	Total	Obsolescence allowance	Net amount
Raw material	2,056,200	(238,129)	1,818,071
Work in progress	783,995	-	783,995
Finished goods	8,325,307	(232,852)	8,092,455
Supplies	1,599,861	-	1,599,861
Total	**12,765,363**	**(470,981)**	**12,294,382**

All the inventories of the Company are collateralized as security against the line of credit (Refer note I).

NOTE F - PROPERTY AND EQUIPMENT, NET

Property and equipment, net, comprises the following:

	As of March 31, 2026	As of March 31, 2025
Leasehold improvements	426,416	309,938
Shop equipment	9,095,620	7,990,580
Office equipment	631,216	595,862
Property and equipment, gross	**10,153,252**	**8,896,380**
Less: Accumulated depreciation	(6,989,959)	(6,460,270)
Property and equipment, net	**3,163,293**	**2,436,110**

Depreciation expense is $529,689 and $461,442 for the years ended March 31, 2026, and March 31, 2025, respectively.

All the property and equipment of the Company are collateralized as security against the line of credit (Refer note I).

NOTE G – OTHER INTANGIBLE ASSETS

The Company's other intangible assets include internal-use capitalized software as follows:

As of March 31, 2026	Useful life	Gross carrying amount	Accumulated amortization	Net carrying amount
Definite life intangibles				
Software	3	614,447	(588,691)	25,756
Total		**614,447**	**(588,691)**	**25,756**

As of March 31, 2025	Useful life	Gross carrying amount	Accumulated amortization	Net carrying amount
Definite life intangibles				
Software	3	614,447	(578,229)	36,218
Total		**614,447**	**(578,229)**	**36,218**

Amortization expense is $10,462 for both the years ended March 31, 2026, and March 31, 2025.

NOTE H - RISK CONCENTRATION

Credit risk

The Company's financial instruments that are exposed to concentration of credit risk consist primarily of trade accounts receivable.

For the years ended March 31, 2026, and March 31, 2025, the Company's two largest customers accounted for approximately 66% and 65% of revenues, respectively. Two customers accounted for approximately 64% and 62% of net accounts receivable as of March 31, 2026, and March 31, 2025, respectively. Generally, the Company does not obtain security from its customers in support of accounts receivable. Potential losses from concentrations of credit risk with respect to trade accounts receivable are considered to be limited due to the Company's ongoing credit evaluation of its customers.

Foreign risk

The Company purchases a significant amount of materials from affiliates located in India. This source of materials may be subject to unpredictable changes and delays due to legal, political, and climate conditions. Refer note P "Related Party Transactions" for further information.

Economic and political risk

The United States (U.S.) government has called for substantial changes to its trade policy and, in certain instances, has enacted and assessed tariffs on specific products imported from certain foreign countries; conversely, certain foreign countries have enacted tariffs on specific products exported by U.S. based companies.

The results of discussions and negotiations among these affected countries are subject to a number of factors, and the magnitude of the impact on the Company cannot be predicted with any degree of certainty. Changes in international trade agreements, regulations, restrictions, and tariffs may increase the Company's operating costs and make it more difficult to compete in the U.S. markets; as a result, its business, demand for products, financial condition, and results of operations could be adversely impacted. The Company is actively monitoring the status of these discussions and market reactions.

NOTE I – DEBT

Line of credit

The Company has a revolving line of credit of $1,500,000. The line of credit has a variable interest rate calculated as a "floating rate," which is a "base rate" determined by adjusted SOFR plus 175 basis points, on the utilization of the line of credit. The line is collateralized by substantially all assets of the Company and cross-collateralized with a term loan. This line of credit is also secured by a corporate guarantee from the Parent.

The Company has not drawn down any amount as of March 31, 2026, and March 31, 2025, respectively, and the unutilized portion of the line of credit was $1,500,000 and $1,500,000 as of March 31, 2026, and March 31, 2025, respectively.

Term loan

	As of	
	March 31, 2026	**March 31, 2025**
Term loan of $594,096 due in monthly instalments of $9,902 bearing interest at SOFR+150 basis points, through May 2027. The term loan is collateralized by the property and equipment of the Company.	137,620	256,442
Term loan of $1,273,220 due in monthly instalments of $21,220 bearing interest at SOFR+175 basis points, through September 2030. The term loan is collateralized by the property and equipment of the Company.	1,145,900	-
Less: Current portion	(373,464)	(118,824)
Long-term debt, net of current portion	**910,056**	**137,618**

The interest expenses incurred on term loans for the years ended March 31, 2026, and March 31, 2025, are $53,362 and $20,736, respectively.

Future annual maturities of the long-term debt:

Year ending March 31:	
2027	373,464
2028	273,456
2029	254,640
2030	254,640
Thereafter	127,320
	1,283,520

NOTE J - COMMITMENT AND CONTINGENCIES

Commitments

The Company has guaranteed the liabilities of Uniparts USA Ltd., its Parent, at the same financial institution as the debt disclosed in Note I. The guarantee is unconditional as the primary obligor, and performance is required for full and prompt payment of the debt when due, whether at stated maturity, by acceleration, or otherwise. As of March 31, 2026, and March 31, 2025, the Parent company did not have any outstanding liabilities with the financial institution. The Company is not involved in any material legal proceedings, claims, or assessments arising in the ordinary course of business that management believes would have a material adverse effect on the financial statements.

NOTE K - REVENUE FROM CONTRACTS WITH CUSTOMERS

The following table presents revenue disaggregated by product line:

	For the year ended	
	March 31, 2026	**March 31, 2025**
Revenue from the sale of goods	38,767,567	34,471,477
Consignment sales	197,833	68,416
Total	**38,965,400**	**34,539,893**

The following table presents revenue disaggregated by timing of recognition:

	As of	
	March 31, 2026	**March 31, 2025**
At a point in time	38,965,400	34,539,893
Total	**38,965,400**	**34,539,893**

Consignment sales

The Company has a consignment transaction with a single consignor for the sale of specified goods to the customer in accordance with instructions provided by the consignor. The revenue from such transactions is recognized on a net basis, as other revenue in the statement of income. For the year ended March 31, 2026, and the year ended March 31, 2025, the value of sales and purchases on a consignment basis is as follows:

	For the year ended	
	March 31, 2026	**March 31, 2025**
Sale of goods	506,790	431,641
Purchase of goods	(308,957)	(363,225)
Other revenue	**197,833**	**68,416**

Contract balances
The Company's contracts with customers typically consist of the sale of products, which represent performance obligations that are satisfied upon transfer of control of the product to the customer at a point in time.

	As of March 31, 2026	As of March 31, 2025	As of March 31, 2024
Accounts receivable, net	2,271,390	1,846,838	2,240,555
Total	**2,271,390**	**1,846,838**	**2,240,555**

NOTE L – LEASES

General description of the lease

The Company has entered into non-cancelable operating lease agreements related to facilities, office equipment, and vehicles with varying terms.

Non-lease components: Leases that contain non-lease components are accounted for as a single component and recorded on the balance sheet for certain asset classes, including equipment. Non-lease components include, but are not limited to, common area maintenance and service arrangements.

The Company used the following policies and/or assumptions in evaluating the lease population:

Lease determination: The Company considers a contract to be or to contain a lease if the contract conveys the right to control the use of identified property, plant, or equipment (an identified asset) for a period of time in exchange for consideration.

Discount rate: When the lease contracts do not provide a readily determinable implicit rate, the Company uses the estimated incremental borrowing rate based on information available at the inception of the lease. The discount rate is determined by asset class.

Variable payments: The Company includes payments that are based on an index or rate within the calculation of right of use leased assets and lease liabilities, initially measured at the lease commencement date. There are variable payments in the nature of origination fees for office equipment, machinery, and equipment, and therefore are not treated as a part of lease payments.

Purchase options: Certain leases include options to purchase the office equipment. The depreciable life of assets is limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise.

Renewal options: Most leases include one or more options to renew, with renewal terms that can extend the lease term from one or more years. The exercise of lease renewal options is at the Company's sole discretion.

Residual value guarantees, restrictions, or covenants: The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Short-term leases: Leases with an initial term of 12 months or less are not recorded on the balance sheet; the Company recognizes lease expense for these leases on a straight-line basis over the lease term and expense the associated operating lease costs to administrative expenses on the statements of income.

The table below presents the classification of the lease assets and liabilities:

		As at	
Nature	**Classification**	**March 31, 2026**	**March 31, 2025**
Assets			
Operating lease right-of-use assets	Non-current assets	1,364,111	1,842,054
Finance lease right-of-use assets	Non-current assets	138,354	-
Liabilities			
Operating lease obligations	Current liabilities	380,289	420,758
	Non-current liabilities	1,069,526	1,524,293
		1,449,815	**1,945,051**
Finance lease obligations	Current liabilities	32,115	-
	Non-current liabilities	109,792	-
		141,907	**-**

The components of lease cost for finance and operating leases for the years ended March 31, 2026, and March 31, 2025, are as follows:

	For the year ended	
	March 31, 2026	**March 31, 2025**
Operating lease cost (Note a)	441,756	575,807
Amortization of finance lease right-of-use assets (Note b)	34,588	-
Interest on finance lease liability (Note c)	9,334	-
	485,678	**575,807**

a) The Company records operating lease cost in the statements of income within cost of goods sold.
b) The Company records amortization of finance lease right-of-use assets in the statements of income within depreciation and amortization expenses.
c) The Company records interest on lease liability in the statements of income within interest expense.

Other information

	As of	
	March 31, 2026	**March 31, 2025**
Weighted -average remaining lease term-operating leases	3.75 years	4.5 years
Weighted -average remaining lease term -finance leases	4 years	-
Weighted -average discount rate-operating leases	4.74%	4.92%
Weighted -average discount rate-finance leases	6.48%	-

Supplemental cash flow information related to leases was as follows:

	For the year ended	
	March 31, 2026	**March 31, 2025**
Operating cash flows from operating leases	453,112	578,313
Operating cash flows from a finance lease	9,334	-
Financing cash flows from a finance lease	31,034	-
Total	**493,480**	**578,313**

Future minimum lease payments relating to finance and operating leases as of March 31, 2026, are as follows:

	Finance lease	Operating lease
Within		
1 year	40,368	440,790
1-2 years	40,368	408,343
2-3 years	40,368	401,093
3-4 years	40,368	334,243
Total minimum lease payments	**161,472**	**1,584,469**
Less: Imputed interest	19,565	134,654
Present value of minimum lease payments	**141,907**	**1,449,815**
Less: Current portion	32,115	380,289
Non-current lease obligations	**109,792**	**1,069,526**

Short-term lease expense was not material for the years ended March 31, 2026, and March 31, 2025.

NOTE M - INCOME TAXES

The Company files federal and state tax returns as per regulations applicable to Chapter C corporations in the United States of America.

The components of the provision for income taxes consisted of the following:

	For the year ended	
	March 31, 2026	March 31, 2025
Current taxes		
Federal	426,825	28,368
State	(2,574)	93,195
	424,251	**121,563**
Deferred taxes		
Federal	268,601	213,766
State	94,770	34,757
	363,371	**248,523**
Total	**787,622**	**370,086**

The items accounting for the difference between income taxes computed at the federal statutory rate and the provision for income taxes are as follows:

	For the year ended	
	March 31, 2026	March 31, 2025
Income tax at the federal rate	679,778	277,875
State tax, net of federal effect	58,625	103,824
True-up	36,288	(5,014)
Permanent differences	12,931	(6,600)
	787,622	**370,086**

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Components of the deferred tax assets and deferred tax liabilities consist of the following amounts as of March 31, 2026, and March 31, 2025:

	As of	
	March 31, 2026	**March 31, 2025**
Deferred tax assets:		
Accrued expenses	127,919	53,082
Allowance for expected credit loss	1,038	1,025
Research and development expense	-	97,779
Inventories	6,511	10,415
Net operating loss	193,481	193,944
Deferred tax assets	**328,949**	**356,245**
Deferred tax liability		
Goodwill	(1,793,285)	(1,770,480)
Leases, net	(3,863)	(1,815)
Prepaid expenses	(43,928)	(18,732)
Casualty gain deferral	(600,444)	(592,808)
Property and equipment	(689,625)	(411,235)
Deferred tax liability	**(3,131,145)**	**(2,795,070)**
Deferred tax liability, net	**(2,802,196)**	**(2,438,825)**

In assessing the realization of deferred tax assets, the likelihood of whether it is more likely than not that some portion or all of the deferred tax assets will not be realized must be considered. The ultimate realization of deferred tax assets is dependent on the generation of future taxable income during the years in which temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment. Management has concluded that it is more likely than not that deferred tax assets will be realized; accordingly, no valuation allowance has been recorded.

Accounting for uncertain tax position
The Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an examination. The Company had no unrecognized tax benefits as of March 31, 2026, and March 31, 2025.

The tax years of 2022 through 2024 remain subject to examination by the taxing authorities.

NOTE N - EMPLOYEE BENEFITS

Defined contribution plan
The Company has a defined contribution plan ("the Plan") under Section 401(k) of the Internal Revenue Code which covers substantially all regular full-time employees who have attained the defined age and service requirements.

The Plan provides for employee and discretionary employer matching contributions. Employer contributions to the Plan approximated $92,516 and $106,141 for the year ended March 31, 2026, and year ended March 31, 2025, respectively

Health and dental plan
The amount of expenses relating to the health and dental plan for the employees approximated $444,575 and $544,994 for the year ended March 31, 2026, and the year ended March 31, 2025, respectively.

NOTE O – STOCK COMPENSATION EXPENSE

Uniparts India Limited ("UIL"), the ultimate parent company, issued stock option incentive plans under which the employees of the Company may subscribe to stock options. Under the plan, stock options to purchase UIL's common stock may be granted to employees at prices not lower than fair value at the date of grant. The stock options granted to the Company's employees have a maximum term of 3 years from the date of vesting.

Activity under the plan to the extent related to employees of the Company:

Balance as on	Number of stock options	Weighted-average exercise price (INR)	Weighted average remaining contractual life (Years)	Aggregate intrinsic value
March 31, 2024	**-**	**-**	**-**	**-**
Granted	52,286	433.90	-	-
Exercised	-	-	-	-
Forfeited	-	-	-	-
March 31, 2025	**52,286**	**433.90**	**2.63**	**-**
Granted	43,616	388.40	-	-
Exercised	-	-	-	-
Forfeited	-	-	-	-
March 31, 2026	**95,902**	**413.21**	**1.93**	**30,231**
Options vested and exercisable	**17,254**			

The weighted average exercise price of options is Indian Rupee 413.21 which is equivalent to $4.38 as of March 31, 2026. The Company has recognized $25,088 and $8,073 as stock-based compensation expense for the years ended March 31, 2026, and March 31, 2025, respectively.

The grant date fair value of options granted during the year ended March 31, 2026, and March 31, 2025, has been estimated using the Black-Scholes single option pricing model with the following assumptions:

	For the year ended	
	March 31, 2026	**March 31, 2025**
Risk free interest rate	5.72% - 5.95%	6.59% - 6.67%
Expected dividend yield	4.06%	2.94%
Expected life of option in years	2.50 - 4.50	2.50 - 4.50
Weighted average expected volatility	29.31%	27.51%

As of March 31, 2026, the Company had unrecognized stock-based compensation expense of approximately $64,785, which is expected to be recognized over a weighted-average remaining vesting period of approximately 1.93 years.

NOTE P - RELATED PARTY TRANSACTIONS

The Company purchases materials from companies located in India that are affiliated through common ownership. Purchases from these related companies are $17,893,619 and $14,417,358 for the year ended March 31, 2026, and the year ended March 31, 2025, respectively. Additionally, amounts of $1,206,177 and $438,070, is due to these companies for purchases of materials as of March 31, 2026, and March 31, 2025, respectively. These amounts will be paid under normal trade terms with these affiliated companies. The Company provides or receives minimal services to the aforementioned related companies. As of March 31, 2026, and March 31, 2025, and for the years then ended, sales to these related parties and the related accounts receivable are immaterial to the financial statements.

The Company files a consolidated tax return with its Parent. Cash is advanced from the Company to the Parent to pay the Company's share of federal and state income tax liabilities. As of March 31, 2026, and March 31, 2025, the Company was due $1,566,064 and $2,110,963 respectively, from the Parent for advances for income taxes made in excess of actual liabilities. These advances are non-interest bearing and are due upon demand, by the Company.

As of March 31, 2026, and March 31, 2025, Parent company has provided guarantee to the Company for line of credit. The Company has provided corporate guarantee and substantially all the assets of the Company are collateralized for the notes payable by the Parent. Amounts due to related parties are unsecured, non-interest bearing, and payable under normal trade terms.

NOTE Q - STOCKHOLDER'S EQUITY

Common Stock
The authorized share capital of the Company is $1,224,301 comprising of 1,224,301 shares of par value $1 each, of which all the common stock are issued and outstanding.

Voting
Each holder of common stock is entitled to one vote in respect of each share held by him in the records of the Company for all matters submitted to a vote.

Liquidation
In the event of liquidation of the Company, the holders of common stock shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such amounts will be in proportion to the number of equity shares held by the shareholders.

Dividend
During the years ended March 31, 2026, and March 31, 2025, the Company paid dividends of $4,000,000 and $1,500,000, respectively, to its Parent, Uniparts USA Ltd.

NOTE R - SUBSEQUENT EVENTS

The Company evaluated all events and transactions that occurred after March 31, 2026, through the date the financial statements were available to be issued. Based upon this evaluation, the Company is not aware of any events or transactions that would require recognition or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

The Company defines EBITDA as earnings before (a) depreciation and amortization; (b) interest expense; (c) non-operating other income (expense), (net); (d) tax expense.

The computation of Earnings Before Interest Taxes Depreciation and Amortization ("EBITDA") as presented below is the responsibility of management and was derived from the audited financial statements along with the underlying accounting and other records used to prepare the financial statements.

EBITDA for the years ended March 31, 2026, and March 31, 2025, is as follows:

	For the year ended March 31, 2026	For the year ended March 31, 2025
Net Income	**2,449,356**	**953,125**
Adjustments:		
Interest expense	62,696	20,784
Income from short-term investments	(42,589)	-
Income tax expenses	787,622	370,086
Depreciation and amortization expenses	574,739	471,904
Total Adjustment	**1,382,468**	**862,774**
EBITDA	**3,831,824**	**1,815,899**