

PATEL ENGINEERING, INC. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED BALANCE SHEET

31st March, 2025

<u>ASSETS</u>		<u>Amount in US\$</u>
CURRENT ASSETS		
Cash and Cash Equivalents		21,714
Accounts Receivable		
Trade and Retention	82,920	
Claims	-	
Accounts Receivable - Net		82,920
Loans Receivable - Related Party -		
Due Within one Year		8,446
Less: Provision for Impairment		-8,446
Other Receivable - Related Party -		11,011
Income Tax Refundable		20,746
Prepaid Expenses		4,196
Total Current Assets		1,40,586
PROPERTY AND EQUIPMENT - AT COST		
Office Equipment	5,175	
Less: Accumulated Depreciation	-5,175	
Property and Equipment - Net		-
OTHER ASSETS		
Loans Receivable - Related Party -		
Due After One Year	13,40,826	
Provision for Impairment	-13,40,826	
Advances - Property Procurement	2,00,000	
Advances - Project Procurement	9,05,000	
Provision for Bad Debts	-9,05,000	
Security Deposit	10,000	
Other advances	3,53,119	
Deferred Tax Asset	3,68,594	
Investment in Subsidiaries	8,000	
Less: Provision for Impairment	-8,000	
Total Other Assets		9,31,713
TOTAL ASSETS		10,72,299
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Other Liabilities		1,200
Total Current Liabilities		1,200
STOCKHOLDERS' EQUITY		
Common Stock, \$.001 Par Value; 1,000,000		
Shares Authorized; 409,422 Shares		
Issued and Outstanding	409	
Additional Paid-In Capital	84,66,941	
Retained Earnings	-73,96,252	
Total Stockholders' Equity		10,71,099
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		10,72,299

For Patel Engineering Inc



Director

PATEL ENGINEERING, INC. AND SUBSIDIARIES
Unaudited Consolidated Statement Of Operations
For the year ended 31st March, 2025

REVENUE		-
COST OF REVENUE		-
GROSS PROFIT		-
GENERAL AND ADMINISTRATIVE EXPENSES		
Bad Debt	-	
Provision for Impairment	-	
Investment Written off	-	
Loss on Sale of Land	-	
Bank Charges	30.00	
Finance Charges	55.00	
Licenses and Taxes	10.00	
Professional Fees	14,191.01	
Impairment Loss	-	
Travel	-	
Total General and Administrative Expenses		14,286.01
(LOSS) FROM OPERATIONS		-14,286.01
OTHER INCOME (EXPENSE)		
Gain on Sale of Assets		
Other Income	10,221.78	
Interest (Expense)	-	
Other Income (Expense) - Net		10,221.78
(LOSS) BEFORE PROVISION FOR INCOME TAXES		-4,064.23
PROVISION FOR INCOME TAXES (CREDIT)		-
NET (LOSS)		-4,064.23

For Patel Engineering Inc



Director

PATEL ENGINEERING, INC. AND SUBSIDIARIES
Unaudited Consolidated Statement Of Stockholders' Equity
For the year ended 31st March, 2025

	<u>Common Stock</u>	<u>Additional Paid-In Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
BALANCE - APRIL 1, 2022	409	84,66,941	-73,92,187	10,75,163
NET (LOSS) FOR THE YEAR	-	-	-4,064	-4,064
BALANCE - MARCH 31, 2022	<u>409</u>	<u>84,66,941</u>	<u>-73,96,252</u>	<u>10,71,099</u>

For Patel Engineering Inc



Director

Notes To Unaudited Consolidated Financial Statements For The Year Ended 31st March, 2025

1 Company History, Use of Estimates, and Significant Accounting Policies.

Consolidation Policy. The consolidated financial statements include the accounts of Patel Engineering, Inc. ("PEI") and its wholly owned subsidiary ASI Global, LLC ("Global"), collectively referred to as the "Company". All inter-company accounts and transactions have been eliminated in consolidation.

Company History and Activities.

Patel Engineering, Inc. ("PEI"). The company was incorporated under the laws of the State of Colorado, U.S.A. in October 1999. The company was formed for the purpose of performing as a general construction contractor, and to act as a holding company for other United States business interests primarily in the area of construction and real estate development. The company discontinued active operations in a prior year and currently the main activities include lending and investment activities with other entities for the development of future business interests and property development activities.

ASI Global, LLC ("Global"). The company is a limited liability company organized under the laws of the State of Colorado and was formed for purposes of providing general contractor services and consulting in the United States and foreign countries. The company currently is not conducting any active operations in any locations. ASI Global was formed on 15th August 2009 by a lawyer Mr. Robert Weigand who was holding the shares in fiduciary capacity on behalf of Patel Engineering Inc. The stakes were transferred to Patel Engineering Inc by him on January 1, 2015.

ASI Constructors Inc is a subsidiary of Patel Engineering Inc with 65.23% holding. The company has written off the investment in the said subsidiary since all business thereof is being closed and there is no certainty of it continuing as a going concern. Further, its business is under control of the sureties.

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value of Financial Instruments. The Company's financial instruments include cash and cash equivalents, accounts and notes receivable, other loans and advances, accounts payable, and short-term borrowings. The fair value of these financial instruments approximates their carrying amounts based on current market indicators such as prevailing interest rates and their nearness to maturity.

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Notes To Unaudited Consolidated Financial Statements For The Year Ended 31st March, 2025

Revenue and Cost Recognition.

Patel Engineering, Inc. The Company's consolidated financial statements are prepared on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred.

Revenue from long-term contracts is recognized on the percentage-of-completion method for individual contracts, commencing when progress reaches a point where experience is sufficient to estimate final results with reasonable accuracy. Revenues are recognized in the ratio that costs incurred bear to total estimated costs. Changes in job performance, estimated profitability, and final contract settlements may result in revisions to costs and income, and are recognized in the period in which the revisions are determined.

Contract costs include all direct materials, subcontracts, labor costs, and those indirect costs related to contract performance. General and administrative costs are charged to expenses as incurred.

Profits on short-term contracts are recorded on the substantial completion of each contract. Revenues from time and material contracts are recognized currently as the work is performed.

At the time a loss on a contract becomes known, the entire amount of the estimated ultimate loss on both short and long-term contracts is accrued.

The aggregate of costs incurred and income recognized on uncompleted contracts in excess of related billings is shown as a current asset, and the aggregate of billings on uncompleted contracts in excess of related costs incurred and income recognized is shown as a current liability.

All other non-contract activities are reported on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred.

Cash and Cash Equivalents. For the purposes of the Consolidated Statement of Cash Flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Accounts Receivable. Trade receivables are recorded when invoices are issued. Receivables are written-off when they are determined to be uncollectible. The allowance for doubtful accounts is estimated based on the Company's historical losses, the existing economic conditions in its industry, and the financial stability of its customers. The allowance for doubtful accounts at March 31, 2017, was \$ 905000

Depreciation. Depreciation and amortization is provided using the straight-line method over the following estimated useful lives of the assets, which are as follows:

Buildings	39-40 Years
Machinery and Equipment	7 Years
Office Equipment	7 Years



Notes To Unaudited Consolidated Financial Statements For The Year Ended 31st March, 2025

Long-Lived Assets. Generally Accepted Accounting Principles (GAAP) requires that long-lived assets and certain identifiable intangibles to be held and used by an entity be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment, which is determined based upon the estimated fair value of the asset, is recorded when estimated undiscounted cash flows expected to be generated by the asset are insufficient to recover its net carrying value. Based upon its review, management does not believe that any impairment reserves are necessary at March 31, 2024.

Patel Engineering, Inc. The company's income tax returns are prepared on the accrual basis of accounting. Depreciation is provided for on an accelerated method of accounting.

ASI Global, LLC. The company has elected to be taxed as a subchapter "C" Corporation and therefore reports and pays Federal and State income taxes at the entity level. The company's income tax returns are prepared on the accrual basis of accounting. Depreciation is provided for on an accelerated method of accounting.

Generally Accepted Accounting Principles require an entity to disclose any material uncertain tax positions that management believes does not meet a "more-likely-than-not" standard of being sustained under an income tax audit, and to record a liability for any such taxes including penalty and interest. As of March 31, 2024, management has not identified any uncertain tax positions requiring any recording or disclosure.

Variable Interest Entities. Management of the Company has not identified any variable interest entities that require consolidation under Generally Accepted Accounting Principles.

Subsequent Events. In preparing its consolidated financial statements, the Company has evaluated subsequent events through March 31, 2024, which is the date the consolidated financial statements were available to be issued. Management of the Company has not identified any material subsequent events that require reporting or disclosure.



Notes To Unaudited Consolidated Financial Statements For The Year Ended 31st March, 2025

2 Concentrations of Credit Risk.

Financial instruments that potentially subject the Company to credit risk consist principally of cash and cash equivalents, accounts and notes receivable, other loans, and advances. The Company occasionally places cash in a single financial institution in excess of FDIC insured limits. To reduce the credit risk associated with cash and cash equivalents, the Company periodically reviews the financial condition of the financial institution.

To reduce the credit risk associated with the accounts and notes receivable and other loans and advances, the Company routinely analyzes the credit worthiness of its customers and debtors and reviews the funding mechanisms of the debtor entities related to investment and development activities.

3 Accounts Receivable.

Trade and Retention Receivables consist of \$92970, including retention held of \$31,200, and is due from PEI's parent company, Patel Engineering, LTD., for services performed in a prior year on a project in India.

4 Property and Equipment.

A summary of the investment in property and equipment as of **March, 2024**, net of accumulated depreciation, is as follows:

Land	\$ 0
Buildings and Improvements	0
Machinery and Equipment	-
Office Equipment	0
	<u>0</u>
	<u>\$ 0</u>

Depreciation expense charged to operations for the year ended March 31, 2024 was \$0.

5 Related Party – Notes and Loans Receivable.

From time to time, the entities make advances to or borrow funds from various related parties. The loans are generally made on an informal basis but some are made through execution of formal note documents. The loans are due upon demand and are non-interest bearing unless otherwise disclosed.

Loans and advances between the consolidated entities have been eliminated and are not included in the consolidated balances presented. The following is a summary of inter-company loans that have been eliminated:

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5 Related Party – Notes and Loans Receivable. (Continued)

The following table summarizes the outstanding current and long-term consolidated note and loan balances as of 31st March, 2025

Loans Receivable - Classified In Current Assets:

	PEI
Informal Advance – Patel Engineering, LTD.	10,011
Informal Advance – Les Salines Development, LTD.	8,446
Less: Provision for Impairment	-8,446
Informal Advance - Patel Engineering (Singapore) LTD.	4,963
Less: Provision for Impairment	-4,963
	<u>10,011</u>

Loans Receivable - Classified in Other Assets:

Expired Note – Patel Engineering (Singapore) LTD.	
Principal Balance	8,04,890
Accrued Interest	5,30,973
	<u>13,35,863</u>
Less:provision for Impairment	<u>-13,35,863</u>
	<u>-</u>

Notes Receivable - Classified in Other Assets:

	PEI
Note Receivable - ASI Constructors, Inc.	-
Principal Balance	-
Accrued Interest	-
Note(s) Receivable – Patson Holdings, LLC	
Principal Balance	-
Accrued Interest	-
	<u>-</u>

ASI Constructors is in process of filing of Bankruptcy hence all advances given to and for investment in ASI Constructors are not recoverable hence written off

6 Other Advances.

PEI has advanced \$200,000 to an entity located in Dubai, United Arab Emirates, for purposes of funding an earnest money deposit upon the location and initiation of the purchase of office property in Dubai, United Arab Emirates. The agreement was renewed by way of an addendum on March 15, 2016, and an extended time period of two years was granted to the said entity. Should the entity fail to identify the property within the extended time period the balance advanced is to be refunded. The balance is included in Other Assets on the Consolidated Balance Sheet.

7 Investment in Subsidiaries.

ASI Global has a 20% investment in Les Salines Development Ltd., a company located on the Island of Mauritius in the Indian Ocean. The company was formed to develop commercial real estate on the island. The investment is carried at cost in the amount of \$00.

PATEL ENGINEERING, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATING BALANCE SHEET AS ON 31st March, 2025

<u>ASSETS</u>	Patel Engineering, Inc.	ASI Global, LLC	Eliminations	Consolidated Balance
CURRENT ASSETS				
Cash and Cash Equivalents	21,714	-	-	21,714
Accounts Receivable:				-
Trade and Retention Claims	82,920	-	-	82,920
	82,920	-	-	82,920
Less: Allowance for Doubtful Accounts	-	-	-	-
Accounts Receivable - Net	82,920	-	-	82,920
Notes Receivable - Related Party - Due Within One Year	8,446	-	-	8,446
Less: provision for Impairment	-8,446	-	-	-8,446
Other Receivable - Related Party -	11,011	-	-	11,011
Account Receivable - Others	-	-	-	-
Income Tax Refundable	20,746	-	-	20,746
Prepaid Expenses	4,196	-	-	4,196
Total Current Assets	1,40,586	-	-	1,40,586
PROPERTY AND EQUIPMENT - AT COST				
Buildings and Improvements	-	-	-	-
Office Equipment	5,175	-	-	5,175
	5,175	-	-	5,175
Less: Accumulated Depreciation	-5,175	-	-	-5,175
Property and Equipment - Net	-	-	-	-
OTHER ASSETS				
Notes Receivable - Related Party - Due After One Year	-	-	-	-
Loans Receivable - Related Party -	5,881	-	-5,881	-
Loans Receivable - Related Party - Due After One Year	13,40,826	-	-	13,40,826
Less: provision for Impairment	-13,40,826	-	-	-13,40,826
Advances - Property Procurement	2,00,000	-	-	2,00,000
Advances - Project Procurement	9,05,000	-	-	9,05,000
Provision for Bad Debts	-9,05,000	-	-	-9,05,000
Security Deposit	10,000	-	-	10,000
Other Advances	3,53,119	-	-	3,53,119
Deferred Tax Asset	3,68,594	-	-	3,68,594
Goodwill	-	-	-	-
Investment	-633	8,000	633	8,000
Less: provision for Impairment	-	-8,000	-	-8,000
Total Other Assets	9,36,962	-	-5,249	9,31,713
TOTAL ASSETS	10,77,548	-	-5,249	10,72,299
<u>LIABILITIES AND STOCKHOLDERS'/MEMBERS' EQUITY</u>				
<u>LIABILITIES</u>	Patel Engineering, Inc.	ASI Global, LLC	Eliminations	Consolidated Balance
CURRENT LIABILITIES				
Accounts Payable - Trade	-	-	-	-
Notes Payable - Related Party	-	5,881	-5,881	-
Loans Payable - Related Party	-	-	-	-
Other Liabilities	1,200	-	-	1,200
Other Accrued Liabilities	-	-	-	-
Total Current Liabilities	1,200	5,881	-5,881	1,200
LONG-TERM LIABILITIES				
Loans Payable	-	-	-	-
Interest Payable	-	-	-	-
Total Liabilities	1,200	5,881	-5,881	1,200
STOCKHOLDERS'/MEMBERS' EQUITY				
Common Stock	409	-	-	409
Additional Paid-In Capital	84,66,941	-	-	84,66,941
Retained Earnings	-73,91,003	-5,249	-	-73,96,252
Total Stockholders' Equity	10,76,348	-5,249	-	10,71,099
Members' Equity	-	-633	633	0
Total Stockholders'/Members'	10,76,348	-5,881	633	10,71,099
TOTAL LIABILITIES AND STOCKHOLDERS'/MEMBERS' EQUITY	10,77,548	-	-5,249	10,72,299

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PATEL ENGINEERING, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATING STATEMENT OF OPERATIONS FOR THE PERIOD ENDED 31st March, 2025

	Patel Engineering, Inc.	ASI Global, LLC	Eliminations	Consolidated Balance
REVENUE	-	-	-	-
COST OF REVENUE	-	-	-	-
GROSS PROFIT	-	-	-	-
GENERAL AND ADMINISTRATIVE EXPENSES				
Investment written off	-	-	-	-
Goodwill written off	-	-	-	-
Bank Charges	30	-	-	30
Finance Charges	55	-	-	55
Interest Expense	-	-	-	-
Depreciation	-	-	-	-
Licenses and Taxes	-	10	-	10
Income Tax Expense	-	-	-	-
Office Supplies and Expense	-	-	-	-
Professional Fees	8,952	5,239	-	14,191
Total General and Administrative Expenses	9,037	5,249	-	14,286
(LOSS) FROM OPERATIONS	-9,037	-5,249	-	-14,286
OTHER INCOME (EXPENSE)				
Rental Income	-	-	-	-
Other Income	10,222	-	-	10,222
Interest Income	-	-	-	-
Income (Loss) from Subsidiaries	-	-	-	-
Interest (Expense)	-	-	-	-
Other Income (Expense) - Net	10,222	-	-	10,222
(LOSS) BEFORE PROVISION FOR INCOME TAXES	1,185	-5,249	-	-4,064
PROVISION FOR INCOME TAXES (CREDIT)	-	-	-	-
NET (LOSS)	1,185	-5,249	-	-4,064

For Patel Engineering Inc



Director