

TRYFACTA, INC. AND ITS SUBSIDIARIES

Consolidated Financial Statements

As of and for the year ended December 31, 2025



TRYFACTA, INC. AND ITS SUBSIDIARIES
Consolidated Financial Statements

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Independent Auditor's Report

Report on the Audit of the Consolidated Financial Statements

To the Board of Directors and Shareholders of **Tryfacta, Inc.**

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Tryfacta, Inc. and its subsidiaries (collectively known as the "Company"), which comprise the consolidated balance sheet as of December 31, 2025, and the related consolidated statements of operations, consolidated statements of changes in stockholders' equity, and consolidated statements of cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2025, and the consolidated results of its operations and its consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (US GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (the "US GAAS"). 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 consolidated financial statements are available to be issued.

ASA

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 US GAAS 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 consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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.

Restriction in Use

The audit opinion is intended solely for the submission to the International Financial Service Centres Authority (IFSCA) for the purpose of listing the company at GIFT IFSC as per IFSCA Regulations and for the purpose of submitting to the customers, prospective customers, lenders and investors; and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. This audit report should not be used for filing with or distributed to any regulatory authorities or agencies in the United States of America.

ASA & Associates LLP
ASA & Associates LLP

Place: Gurugram, India

Date: May 04, 2026



TRYFACTA, INC. AND ITS SUBSIDIARIES
Consolidated Balance Sheets
(In USD thousands, except per share data and share count)

	Notes	As of December 31, 2025	As of December 31, 2024
ASSETS			
Current assets			
Cash and cash equivalents	3	\$ 451	\$ 154
Accounts receivable, net of allowance for credit losses	4	4,913	5,005
Prepayments, deposits and other current assets	5	14,389	8,113
Total current assets		19,753	13,272
Property, plant, and equipment, net	6	79	14
Operating lease right-of-use assets	20	70	84
Deferred income tax assets	19	132	223
Goodwill	8	36	-
Total assets		\$ 20,070	\$ 13,593
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities			
Short-term debt	17	\$ 8,523	\$ 2,411
Current portion of long-term debt	17	6	10
Accounts payable	9	1,882	1,550
Federal and other taxes on income		232	213
Accrued expenses and other current liabilities	10	1,870	1,109
Operating lease liabilities	20	42	35
Total current liabilities		12,555	5,328
Accounts payable, less current portion	9	1,049	2,303
Long-term debt, less current portion	17	148	156
Operating lease liabilities, less current portion	20	29	60
Other non-current liabilities	18	9	-
Total liabilities		13,790	7,847
Commitments and contingencies	25	-	-
Stockholders' equity			
Common stock (100,000,000 authorized shares of \$0.00000001 par value; issued and outstanding 33,330,000 shares (December 31, 2024: 1000 authorised shares without par value; issued and outstanding 100 shares))		-	-
Retained earnings		6,283	5,746
Accumulated other comprehensive income		(3)	-
Total stockholders' equity		6,280	5,746
Total liabilities and stockholders' equity		\$ 20,070	\$ 13,593

(* represent amount less than a thousand)

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

As per our report of even date attached
for ASA & Associates LLP

ASA & Associates LLP

Place: Gurugram, India
Date: May 04, 2026



For and on behalf of Tryfacta, Inc.

Adesh Kumar Tyagi
Adesh Tyagi

President & Chief Executive Officer

Place: Pleasanton, USA

Date: May 04, 2026



TRYFACTA, INC. AND ITS SUBSIDIARIES
Consolidated Statements of Operations
(In USD thousands, except per share data and share count)

	Notes	Year ended December 31, 2025	Year ended December 31, 2024
Net revenues	11	\$ 50,484	\$ 57,237
Cost of revenue	12	43,927	51,512
Gross profit		6,557	5,725
Selling, general and administrative expenses	13,18	5,052	4,637
Income from operations		1,505	1,088
Interest expenses, net	14	(1,101)	(321)
Other income (expense), net	15	313	691
Income before income tax expense		717	1,458
Income tax expense	19	(180)	(367)
Net income		\$ 537	\$ 1,091
Earnings per common share	16		
Basic		\$ 0.02	\$ 0.03
Diluted		\$ 0.02	\$ 0.03
Other comprehensive income (loss), net of tax:			
Retirement benefits, net of taxes		1	-
Foreign currency translation adjustment		(4)	-
Other comprehensive income (loss)		(3)	-
Comprehensive income		\$ 534	\$ 1,091

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

As per our report of even date attached
for ASA & Associates LLP

ASA & Associates LLP

Place: Gurugram, India
Date: *May 04, 2026*



For and on behalf of Tryfacta, Inc.

Adesh Kumar Tyagi

Adesh Tyagi
President & Chief Executive Officer

Place: Pleasanton, USA
Date: *May 04, 2026*

TRYFACTA, INC. AND ITS SUBSIDIARIES
Consolidated Statements of Changes in Stockholders' Equity
(In USD thousands, except per share data and share count)

	Common stock		Retained earnings	Accumulated other comprehensive income	Total stockholders' equity
	Shares	Amount			
Balance, December 31, 2023	33,330,000	*	\$ 4,655	\$ -	\$ 4,655
Net income (Jan - Dec 2024)			1,091	-	1,091
Other comprehensive income (loss)			-	-	-
Balance, December 31, 2024	33,330,000	*	\$ 5,746	\$ -	\$ 5,746
Net income (Jan - Dec 2025)			537	-	537
Other comprehensive income (loss)			-	(3)	(3)
Balance, December 31, 2025	33,330,000	*	\$ 6,283	\$ (3)	\$ 6,280

(* represent amount less than a thousand)

Note: On July 10, 2025, the Company effected a 333,300 for 1 forward stock split of its common stock. Accordingly, 100 issued shares of the Company were converted to 33,330,000 shares. All share and earnings per share information have been retroactively adjusted to reflect the stock split.

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

As per our report of even date attached for ASA & Associates LLP

ASA & Associates LLP

Place: Gurugram, India
Date: May 04, 2026



For and on behalf of Tryfacta, Inc.

Adesh Kuman Tyagi

Adesh Tyagi
President & Chief Executive Officer

Place: Pleasanton, USA
Date: May 04, 2026



TRYFACTA, INC. AND ITS SUBSIDIARIES
Consolidated Statements of Cash Flows
(In USD thousands, except per share data and share count)

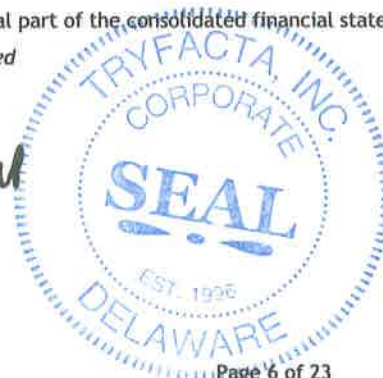
	Year ended December 31, 2025	Year ended December 31, 2024
Cash flows from operating activities:		
Net income	\$ 537	\$ 1,091
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	19	10
Gain on sale of property, plant and equipment	(6)	-
Gain on debt modification or extinguishment	-	(674)
Non-cash lease expense	32	38
Deferred income taxes	98	247
Changes in operating assets and liabilities:		
Decrease (increase) in accounts receivables	92	1,125
Decrease (increase) in prepayments and other current assets	(2,260)	(127)
Increase (decrease) in accounts payable	109	49
Decrease in deferred revenue	-	(6)
Increase in income taxes payable	20	96
Increase in accrued expenses and other liabilities	739	143
Decrease in operating lease liabilities	(42)	(44)
Net cash generated from (used in) operating activities	(662)	1,948
Cash flows from investing activities		
Purchase of property, plant and equipment	(55)	-
Proceeds from sale of property, plant and equipment	8	-
Loans to related parties	(4,697)	(6,769)
Repayment of loans by related parties	781	3,652
Payments for business acquisitions	(70)	-
Net cash used in investing activities	(4,033)	(3,117)
Cash flows from financing activities:		
Proceeds from short-term borrowings	31,632	16,532
Repayment of short-term borrowings	(25,520)	(14,121)
Repayment of long-term debt	(12)	(1,166)
Repayment to creditor with long term financing	(1,102)	-
Net cash generated from (used in) financing activities	4,998	1,245
Net change in cash and cash equivalents during the period	303	76
Effect of exchange rates changes	(6)	-
Cash and cash equivalents at the beginning of the period	154	78
Cash and cash equivalents at the end of the period	\$ 451	\$ 154
Supplemental non-cash investing activities:		
Business acquisition for deferred consideration	\$ 59	\$ -
Supplemental cash flow information:		
Cash paid for interest	\$ (1,102)	\$ (294)
Cash paid for income taxes	\$ (66)	\$ (26)

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

As per our report of even date attached
for ASA & Associates LLP

ASA & Associates LLP

Place: Gurugram, India
Date: May 04, 2026



For and on behalf of Tryfacta, Inc.

Adesh Tyagi

Adesh Tyagi
President & Chief Executive Officer

Place: Pleasanton, USA
Date: May 04, 2026



TRYFACTA, INC. AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements
(In USD thousands, except per share data and share count)

1 OVERVIEW

Unless otherwise noted in this report, any reference to "us," "we," or "our" refers to Tryfacta, Inc. and its consolidated subsidiaries (the "Company"). Consolidated financial information in this report is presented in U.S. dollars.

Business

The Company was incorporated under the laws of the State of Delaware on March 11, 1996. On August 27, 2018, the Company adopted its current name, Tryfacta, Inc., with its Principal Place of Business at 4637 Chabot Dr., Suite 100, Pleasanton, CA 94588.

Tryfacta, Inc. operates in the staffing, recruitment services, and workforce solutions industry. The Company provides personnel to other organizations to fill both short-term and long-term temporary positions. The Company currently provides services entirely to local, county, state, and federal governments in the fields of healthcare, information technology, education, administration and finance, and labor.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation and principles of consolidation

The accompanying consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and are presented in U.S. dollars. The accompanying consolidated financial statements reflect all adjustments that management considers necessary for a fair presentation of the results of operations for these periods.

The accompanying consolidated financial statements include the accounts of Tryfacta, Inc. and the following wholly owned subsidiaries:

	<i>Stake owned by Tryfacta, Inc.</i>	<i>Country of Incorporation</i>	<i>Date of Incorporation</i>
Tryfacta Global Solutions Private Limited	100%	India	September 11, 2025
Tryfacta Global IFSC Private Limited	100%	India	January 27, 2025

The results of operations and financial position of each subsidiary have been included in the consolidated financial statements from the respective dates on which control was acquired i.e., from the date of incorporation. As all subsidiaries of the Company are wholly owned, there is no non-controlling interest to be recognized or presented in the consolidated financial statements.

All intercompany balances and transactions, including any unrealized income and expenses arising from intercompany transactions, have been eliminated in consolidation.

The financial statements for the prior year reflect only the standalone operations of Tryfacta, Inc., as the Company did not have any subsidiaries during that period. Accordingly, the current year consolidated financial statements are not directly comparable with those of the prior year.

Use of estimates

The preparation of these consolidated financial statements in accordance with U.S. GAAP requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period.

Significant items subject to such estimates and assumptions include:

- (a) the useful lives of property, plant and equipment,
- (b) valuation and measurement of financial instruments,
- (c) determination of incremental borrowing rate, and
- (d) lease term for operating lease right-of-use ("ROU") assets and operating lease liabilities.

Management believes that the estimates used in the preparation of these consolidated financial statements are reasonable and evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, and makes adjustments when facts and circumstances dictate. Although these estimates and assumptions are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.



TRYFACTA, INC. AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements
(In USD thousands, except per share data and share count)

Goodwill

Goodwill represents the cost of acquired businesses in excess of the fair value of identifiable tangible and intangible net assets purchased. Goodwill is not amortized but is tested for impairment annually on December 31, based on a number of factors, including operating results, business plans, and future cash flows. The Company performs an assessment of qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. Based on the assessment of events or circumstances, the Company performs a quantitative assessment of goodwill impairment if it determines that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, based on the quantitative impairment analysis, the carrying value of the goodwill of a reporting unit exceeds the fair value of such goodwill, an impairment loss is recognized in an amount equal to the excess. In addition, the Company performs a qualitative assessment of goodwill impairment between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount.

Cash and cash equivalents

Cash and cash equivalents consist primarily of the balance in current accounts.

Accounts receivable

Accounts receivable are recorded at the invoiced value and do not bear interest. Collections on trade accounts receivable are included in net cash provided by operating activities in the Consolidated Statements of Cash Flows. The Company does not have any off-balance-sheet credit exposure related to its customers.

The Company utilizes revolving, accounts receivable-based facilities in the normal course of business as part of its cash flow management. Factored invoices are not included in our balance sheets when we do not retain a financial or legal interest. If a financial or legal interest is retained, we classify these factorings as secured borrowings. Generally, the fair value of the accounts receivable sold approximates their carrying value due to their short-term nature. Any administrative or other fees paid to factoring agents are recognized at the time of transfer and included under "Interest income (expense), net" in the Company's Statements of Operations.

See Note 4, "Accounts receivable, net of allowance for credit losses" for further information and related disclosures.

Property, plant, and equipment

Property, plant, and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Expenditures for major renewals and improvements which extend the life or usefulness of the asset are capitalized. Items of an ordinary repair or maintenance nature are charged directly to operating expense as incurred.

The straight-line method is used to depreciate plant and equipment. The estimated useful lives, residual values, and method of depreciation are reviewed whenever events or circumstances indicate that a revision is warranted and any changes are accounted for on a prospective basis.

	<u>Years</u>
Vehicles	5 - 8
Computers, Laptops & IT Equipment	3
Office equipment	5

See Note 6, "Property, plant, and equipment, net" for further information and related disclosures.

Impairment of long-lived assets

The Company assesses long-lived assets for impairment in accordance with the provisions of Financial Accounting Standards Board ASC 360, Property, Plant, and Equipment. Long-lived assets (asset group), such as property, plant, and equipment and ROU assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted future cash flows expected to result from the use and eventual disposition of the asset. The amount of impairment loss, if any, is measured as the difference between the carrying value of the asset and its estimated fair value. Fair value is determined through various valuation techniques, including discounted cash flow models, quoted market values, and third-party independent appraisals, as considered necessary.



TRYFACTA, INC. AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements
(In USD thousands, except per share data and share count)

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 whether: (1) the contract involves the use of a distinct identified asset, (2) the Company obtains the right to substantially all the economic benefits from the use of the asset throughout the term of the contract, and (3) the Company has the right to direct the use of the asset.

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 is 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 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 at the present value of the lease payments not yet paid, discounted using the discount rate for the lease at the 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 operating leases is subsequently measured from the carrying amount of the lease liability at the end of each reporting period, and is 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.

The carrying value of ROU assets is reviewed for impairment, similar to long-lived assets, whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.

The Company has elected to use the recognition exemptions for lease contracts that, at commencement date, have a lease term of 12 months or less and do not contain a purchase option ("short-term leases"). Further, as a practical expedient, ASC 842, Leases, permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has elected to use this practical expedient.

See Note 20, "Leases" for further information and related disclosures.

Income taxes

The Company accounts for income taxes using the asset and liability method of accounting for income taxes. Under this method, income tax expense is recognized for the amount of income taxes payable or refundable for the current year. In addition, deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their tax bases and for all operating loss and tax credit carry forwards, if any. Deferred tax assets and liabilities are measured using the enacted tax rates of the respective jurisdictions which are expected to apply to taxable income in the years in which the related temporary differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax laws or rates is recognized in the Consolidated Statements of Operations in the period that includes the enactment date.

The Company recognizes the financial statement effects of an uncertain income tax position when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. For those positions that meet the more-likely-than-not recognition threshold, the Company recognizes the largest amount of tax benefit that is more than fifty percent likely to be realized upon ultimate settlement with the related tax authority.

See Note 19, "Income taxes" for further information and related disclosures.



TRYFACTA, INC. AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements
(In USD thousands, except per share data and share count)

Employee benefit plans

The Company's contributions to defined contribution plans are recognized as employee compensation expense when the contributions are due, unless they can be capitalized as an asset. The Company has no further obligation under defined contribution plans beyond the contributions made under these plans. Contributions are recorded in the year in which they accrue and are included in the Consolidated Statements of Operations.

The subsidiary company "Tryfacta Global Solutions Private Limited" provides a defined benefit gratuity plan ("the Gratuity Plan") to eligible employees in accordance with applicable labor laws of India. The Gratuity Plan provides a lump-sum payment to vested employees upon retirement or termination of employment in an amount based on each employee's salary and duration of employment with the Company. The Gratuity Plan benefit cost for the year is calculated on an actuarial basis.

The gratuity plan is accounted for in accordance with ASC 715, Compensation – Retirement Benefits. The liability for the defined benefit obligation is determined using the projected unit credit method and is based on actuarial valuations performed annually by independent actuaries. Actuarial gains and losses are recorded in the consolidated statement of comprehensive income (loss) and amortized to net periodic cost over future periods.

The benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as of the reporting date. The discount rate used to determine the present value of the obligation reflects the yields available on high-quality corporate bonds of similar duration. During the fiscal year, the Company has not funded the plan, and benefits will be paid as they become due. Key assumptions used in the actuarial valuation include discount rate, salary growth rate, and employee turnover rates.

See Note 18, "Defined benefit plans" for further information and related disclosures.

Fair value of financial instruments

ASC 820, Fair Value Measurements and Disclosures, defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining fair value measurements for assets and liabilities which are required to be recorded at fair value, the Company considers the principal or most advantageous market and the market-based risk measurements or assumptions that market participants would use in pricing the asset or liability. These could include risks inherent in valuation techniques, transfer restrictions, and credit risk. Fair value is estimated by applying the following hierarchy, which prioritizes the inputs used to measure fair value into three levels. In some circumstances, the inputs used to measure fair value might be categorized within different levels of the fair value hierarchy. In those instances, the fair value measurement is categorized in its entirety in the fair value hierarchy based on the lowest level input that is significant to the fair value measurement.

- (a) Level 1 - Quoted prices in active markets for identical assets or liabilities.
- (b) Level 2 - Observable inputs other than quoted prices in active markets for identical assets and liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- (c) Level 3 - Inputs that are generally unobservable and typically reflect management's estimate of assumptions that market participants would use in pricing the asset or liability.

See Note 21, "Fair value measurements" for further information and related disclosures.

Foreign currency matters

The accompanying consolidated financial statements are presented in U.S. Dollars, which is the Company's functional currency. The functional currency for the Company's subsidiaries organized in India is the Indian Rupee. The translation of the functional currencies of the Company's subsidiaries into U.S. Dollars is performed for balance sheet accounts using the exchange rates in effect as of the balance sheet date and for revenues and expense accounts using a monthly average exchange rate prevailing during the respective period. Historical exchange rates at the date the entry are used to translate the share capital. The gains or losses resulting from such translation are reported as currency translation adjustments under other comprehensive income (loss), net, under accumulated other comprehensive income (loss) as a separate component of equity.



TRYFACTA, INC. AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements
(In USD thousands, except per share data and share count)

Revenue recognition

The Company derives its revenue primarily from staffing and personnel support services which are provided primarily on a time-and-material basis. The Company recognizes revenue upon the transfer of control of promised services to its customers in an amount that reflects the consideration the Company expects to receive in exchange for those services. Revenues from services rendered under time-and-material contracts are recognized as the services are provided. The Company accrues for revenue and unbilled receivables for services rendered between the last billing date and the balance sheet date. To determine revenue recognition for the arrangements that the Company determines are within the scope of ASC 606, Revenue from Contracts with Customers, the Company performs the following five steps:

- (1) identify the contract(s) with a customer,
- (2) identify the performance obligations in the contract,
- (3) determine the transaction price,
- (4) allocate the transaction price to the performance obligations in the contract, and
- (5) recognize revenue when (or as) the entity satisfies a performance obligation.

The Company's contracts with its customers also include service level agreements that could result in credits or refunds to the customer. Revenues relating to such arrangements are accounted for as variable consideration when the amount of revenue to be recognized can be estimated to the extent that it is probable that a significant reversal of any incremental revenue will not occur.

The Company recognises a contract liability where it has an unconditional right to receive the consideration but has not yet satisfied its performance obligations.

The consideration payable to a customer is accounted for as a reduction of the transaction price at the later of the time the entity recognizes revenue for the transfer of the related goods or services to the customer, or when the entity pays or promises to pay the consideration.

Revenues are reported net of value-added tax, business tax, and applicable discounts and allowances.

See Note 11, "Net revenues" for further information and related disclosures.

Cost of revenue

Cost of revenue primarily consists of salaries and benefits for service employees, as well as recruitment, training, and related expenses for employees directly involved in delivering services to customers. This also includes costs for their supervisors and certain support personnel who may be dedicated to specific customers or processes. Operational expenses included in cost of revenue consist of subcontractor charges, vendor service contract fees, worker's compensation and health insurance, payroll taxes, and various other related expenses.

See Note 12, "Cost of revenue" for further information.

Selling, general and administrative expenses

Selling, general and administrative ("SG&A") expenses consist of expenses relating to salaries and benefits as well as costs related to recruitment, training, and retention of senior management and other support personnel in enabling functions such as human resources, finance, legal, marketing, sales and sales support, and other support personnel. SG&A expenses also include insurance costs, internal employee payroll taxes, legal and professional fees, rent, travelling, license fees, and certain other expenses.

See Note 13, "Selling, general and administrative expenses" for further information.

Credit losses

In accordance with ASC 326, Financial Instruments – Credit Losses, the Company evaluates its financial assets for expected credit losses by considering all available information relevant to assessing the collectability of cash flows, including historical experience, current conditions, and reasonable and supportable forecasts. The guidance requires that entities consider even remote risks of credit loss unless the expectation of non-payment is zero.

The Company provides staffing services exclusively to governmental agencies and has a long-standing history of no credit losses from such customers. Based on this historical experience, adjusted for current economic conditions and forward-looking information, the Company determines that the expectation of non-payment of the amortized cost basis of its receivables is zero. As a result, no allowance for credit losses has been recognized.

See Note 4, "Accounts receivable, net of allowance for credit losses" for further information and related disclosures.



TRYFACTA, INC. AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements
(In USD thousands, except per share data and share count)

Debt issuance costs

Costs incurred in connection with the issuance of the Company's long-term debt have been recorded as a direct reduction against the debt and amortized over the life of the associated debt as a component of interest expense using the effective interest method.

Segment information

The Company has determined that there is one operating and reportable segment based on qualitative and quantitative considerations. The accounting policies of the segment are measured in a manner consistent with that of the consolidated financial statements.

See Note 23, "Segment reporting" for further information and related disclosures.

Earnings or loss per share

Basic earnings per share is computed using the weighted average number of common shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the period, assuming all dilutive potential common shares were issued. Diluted EPS is not presented when its effect is anti-dilutive. Because the Company does not have any common stock equivalents, such as stock options and warrants, the amounts reported for basic and diluted net loss per share were the same.

See Note 16, "Earnings per share" for further information.

Commitments and contingencies

Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties, and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated. Legal costs incurred in connection with such liabilities are expensed as incurred.

Debt restructuring

The Company accounts for any restructuring of its credit facility using the ten percent cash flow test in accordance with ASC 470, Debt. If the cash flow effect of the change in terms on a present-value basis is less than ten percent, the debt instruments are not considered to be substantially different, and are accounted for as a modification. If the change is more than ten percent, it is treated as an extinguishment. In performing the cash flow test, the Company includes all amounts paid to its lenders in connection with the restructuring but excludes third-party expenses. In the case of a modification, all new fees paid to lenders are capitalized and amortized as part of the existing effective yield, and any new fees paid to third parties are expensed as incurred. No gain or loss is recorded in the case of a modification. In the case of an extinguishment, all new fees paid to lenders are expensed as incurred, and any new fees paid to third parties are capitalized and amortized as a debt issuance cost. The old debt is derecognized, and the new debt is recorded at fair value, with a gain or loss recorded for the difference between the net carrying value of the original debt and the fair value of the new debt.

See Note 17, "Debt" for further information and related disclosures.

Recently issued accounting pronouncements not yet adopted

The following recently released accounting standards have not yet been adopted by the Company:

(a) In December 2023, the FASB issued Accounting Standards Update ("ASU") No. 2023-09, Income Taxes: Improvements to Income Tax Disclosures (Topic 740). Under the ASU, public business entities must annually "(1) disclose specific categories in the rate reconciliation and (2) provide additional information for reconciling items that meet a quantitative threshold (if the effect of those reconciling items is equal to or greater than 5 percent of the amount computed by multiplying pretax income or loss by the applicable statutory income tax rate)." The ASU's amendments are effective for all entities for annual periods beginning after December 15, 2024. Early adoption is permitted. The Company is in the process of assessing the impact of this ASU on its disclosures.

(b) In November 2024, the FASB issued ASU No. 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosure (Topic 220-40). This ASU improves financial reporting by requiring that public business entities disclose additional information about specific expense categories in the notes to consolidated financial statements at interim and annual reporting periods. The amendments in this ASU are effective for all entities for fiscal years beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company is in the process of assessing the impact of this ASU on its disclosures.



TRYFACTA, INC. AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements
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3 Cash and cash equivalents

As of	December 31, 2025	December 31, 2024
Balances with banks		
In current accounts	451	154
	\$ 451	\$ 154

4 Accounts receivable, net of allowance for credit losses

As of	December 31, 2025	December 31, 2024
Accounts receivable	\$ 4,913	\$ 5,005
Less: Allowance for credit losses (refer Note (a) below)	-	-
	\$ 4,913	\$ 5,005

Notes:

(a) Under the Current Expected Credit Losses ("CECL") model, entities are required to estimate and recognize an allowance for credit losses on financial instruments, even when the likelihood of credit loss is considered remote. However, if historical credit loss experience adjusted for current conditions and reasonable, supportable forecasts indicates that the risk of non-payment on a financial asset (or group of financial assets) is zero, the entity is not required to record an expected credit loss. The Company primarily transacts with government entities, with no history of credit losses and thus, the Company has assessed the risk of credit loss to be zero. As a result, no allowance for expected credit losses has been recognized.

(b) Beginning in October 2024, the Company entered into a 12-month revolving, accounts receivable-based facility that allows it to sell accounts receivable to a factoring agent. As per the terms of factoring, the derecognition criteria is not met and thus the receivables are not derecognized. Refer Note 17(a) for details of arrangement.

(c) The following table summarizes the concentration of credit risk for the Company's accounts receivable with specific customers above 10% of the total balance:

Accounts receivable concentration

As of	December 31, 2025	December 31, 2024
Number of customers	2	3
Related accounts receivables percentage	33%	35%

5 Prepayments, deposits and other current assets

As of	December 31, 2025	December 31, 2024
Receivable from related parties (refer Note below)		
Ratika Tyagi	\$ 8,184	\$ 7,627
Clouarity, Inc.	3,131	50
Tryfacta Federal LLC	235	-
Crimson Solutions, Inc.	196	183
Other loans and advances	26	-
Unbilled revenue	1,575	185
IPO issue expense	661	-
Prepaid expenses	293	62
Security deposits	55	-
Refund receivable	33	6
	\$ 14,389	\$ 8,113

Note: The Company has provided interest-free loans to its related parties (collectively, the "Borrowers"). As per the terms of arrangement, the Borrowers may prepay all or any portion of the loan at any time without any penalties or premiums. While there are no scheduled repayment terms, the loan is repayable on demand from the company within 45 days of notice. Nonetheless, the full outstanding loan amounts must be repaid no later than September 30, 2027.



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6 Property, plant, and equipment, net

As of	December 31, 2025	December 31, 2024
Vehicles	\$ 35	\$ 49
Computers, Laptops & IT Equipment	76	-
Office equipment	2	-
Less: Accumulated depreciation and impairment	(34)	(35)
Property, plant and equipment, net	\$ 79	\$ 14

During the year, the increase in property, plant, and equipment primarily relates to assets acquired as part of a business combination undertaken by the Company's wholly owned subsidiary, Tryfacta Global Solutions Private Limited. Refer to Note 7 - Business combination for further details.

For the year ended December 31, 2025, Depreciation expense on property, plant, and equipment amounted to \$19 and \$10 for the years ended December 31, 2025 and 2024 respectively.

7 Business combination

On October 1, 2025, Tryfacta Global Solutions Private Limited, a wholly owned subsidiary of the Company, completed the acquisition of the entire business undertaking of Tryfacta Consulting Private Limited pursuant to the terms of a Business Transfer Agreement in exchange for cash consideration (the "Acquisition"). The Acquisition was accounted for as a business combination in accordance with ASC 805 - Business Combinations. As of the date of Balance Sheet, the valuation of the acquired assets and assumed liabilities has been completed.

The fair value of the total purchase consideration is \$141 in cash. The Acquisition does not have any contingent consideration arrangements.

The acquisition has been accounted for using the acquisition method of accounting. The following table sets forth the estimated fair values of the assets acquired, and liabilities assumed in connection with the Acquisition:

	Total Amount
Assets Acquired	
Computers, Laptops & IT Equipment	\$ 22
Vehicles	8
Office Equipment	1
Security Deposit	26
Loans and Advances	21
Prepaid Expenses	3
Receivable from government authorities	50
Deferred Tax Asset	7
Total assets acquired	\$ 138
Accounts payable	3
Accrued liabilities	18
Other liabilities	13
Total liabilities assumed	\$ 34
Goodwill	\$ 37
Fair Value of Consideration	\$ 141

The excess of the purchase price over the fair value of the net identifiable tangible and intangible assets was recorded as goodwill and is fully deductible for tax purposes. The components of goodwill do not qualify as a separately recognized intangible asset.



TRYFACTA, INC. AND ITS SUBSIDIARIES
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8 Goodwill

The changes in the carrying amount of goodwill for the periods, are as follows:

As of	December 31, 2025	December 31, 2024
Balance, beginning of the year	\$ -	\$ -
Goodwill acquired	37	-
Foreign currency translation	(1)	-
Balance, end of the period	\$ 36	\$ -

Goodwill recognised above is as a result of business combinations undertaken by the subsidiary during the fiscal year of acquisition. Refer to Note 7 - Business combination for further details.

There were no impairments of goodwill during the periods presented.

9 Accounts payable

As of	December 31, 2025	December 31, 2024
Total accounts payable	\$ 2,931	\$ 3,853
Non-current accounts payable	(1,049)	(2,303)
Current accounts payable	\$ 1,882	\$ 1,550

Note: As of March 24, 2023, the Company had a disputed payable of \$4,190 to a subcontractor, related to certain withheld invoice payments. On June 1, 2023, the subcontractor initiated legal action in the Jefferson Circuit Court, Jefferson County, Kentucky, to recover the unpaid amounts (the "Lawsuit"). In order to resolve the matter, a related party of the Company's promoter agreed to personally guarantee the Company's payment obligations under a settlement agreement. Under the terms of the settlement, the Company agreed to pay \$3,700. The settlement amount of \$3,700 includes interest to be paid over a three-year period amounting to \$200. The interest terms states that no interest will accrue on the first 12 monthly installments; thereafter, interest will accrue at rate of 6.75% p.a. The amounts due more than 12 months after the reporting date are presented as non-current accounts payable in the Balance Sheet. The total balance payable to the subcontractor amounted to \$2,303 and \$3,406 as at December 31, 2025 and December 31, 2024 respectively.

10 Accrued expenses and other current liabilities

As of	December 31, 2025	December 31, 2024
Employee wages payable	\$ 513	\$ 690
Accrued liabilities	717	122
Payable to subcontractors	403	39
Payable to government authorities	131	170
Gross receipts tax	41	41
Others	65	47
	\$ 1,870	\$ 1,109

11 Net revenues

As of	December 31, 2025	December 31, 2024
Net revenues	\$ 50,484	\$ 57,237
Net revenues	\$ 50,484	\$ 57,237

Reconciliation of deferred revenue balance

As of	December 31, 2025	December 31, 2024
Balance, beginning of the year	\$ -	\$ 6
Additions	-	-
Revenue recognized during the period	-	(6)
Balance, end of the period	\$ -	\$ -
Current deferred revenue	-	-
Non-current deferred revenue	\$ -	\$ -



TRYFACTA, INC. AND ITS SUBSIDIARIES
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12 Cost of revenue

	Year ended December 31, 2025	Year ended December 31, 2024
Service employee cost	\$ 33,864	\$ 43,534
Payroll taxes (COGS)	3,087	3,890
Vendor contract services charges	3,708	1,838
Subcontractor charges	2,381	1,497
Employee health insurance	268	411
Workers compensation insurance	444	342
Work assessment	175	-
	\$ 43,927	\$ 51,512

13 Selling, general and administrative expenses

	Year ended December 31, 2025	Year ended December 31, 2024
Employee compensation	\$ 1,945	\$ 1,260
Contracted outside services	1,550	1,702
Recruitment cost	517	325
Legal and professional expenses	184	540
Payroll service fees	166	187
Insurance expenses	159	100
Office administrative expenses	105	174
Software subscription fees	103	70
Payroll taxes (SG&A)	92	89
Rent or lease expense (Refer Note 20(a))	66	41
Internet and telephone expenses	46	40
Business taxes	14	14
Depreciation expense	19	10
Travelling expense	40	6
License fees	29	3
Staff welfare expenses	17	-
Work assessment	-	76
	\$ 5,052	\$ 4,637

14 Interest expenses, net

	Year ended December 31, 2025	Year ended December 31, 2024
Interest income	\$ 1	\$ 3
Interest expense	(1,102)	(324)
	\$ (1,101)	\$ (321)

15 Other income (expense), net

	Year ended December 31, 2025	Year ended December 31, 2024
Employee Retention Tax Credit	\$ 307	\$ 1
Gain on sale of vehicle	6	-
Gain on modification of liability	-	690
	\$ 313	\$ 691



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16 Earnings per share

	Year ended December 31, 2025	Year ended December 31, 2024
Net income	\$ 537	\$ 1,091
Weighted average number of common shares (Refer note)	33,330,000	33,330,000
Basic and diluted earning per share	\$ 0.02	\$ 0.03

Note: On July 10, 2025, the Company effected a 333,300 for 1 forward stock split of its common stock. Accordingly, 100 issued shares of the Company were converted to 33,330,000 shares. All share and earnings per share information have been retroactively adjusted to reflect the stock split.

17 Debt

As of	December 31, 2025	December 31, 2024
Short-term debt		
Revolving factoring facility (refer note (a) below)	\$ 8,523	\$ 2,411
Current portion of long-term debt		
Term loan, net of debt issuance costs		
SBA EIDL loan (refer note (b) below)	4	3
CarMax Business services LLC (refer note (c) below)	2	7
Total	8,529	2,421
Long-term debt		
Term loan, net of debt issuance costs		
SBA EIDL loan (refer note (b) below)	148	151
CarMax Business services LLC (refer note (c) below)	-	5
Total	\$ 148	\$ 156

Notes:

(a) Revolving factoring facility from Paychex Advance LLC

On October 10, 2024, the Company entered into a 12-month revolving accounts receivable-based facility with Paychex Advance LLC ("the Factor"), allowing it to sell accounts receivable on a recourse basis in the ordinary course of business. If a customer fails to pay an invoice within 90 days of issuance (unless the non-payment is due to the customer becoming insolvent during that period), the Company is required to repurchase the related receivable. Due to this repurchase obligation, on the date of transfer, the Company determined that the credit risk remains with the Company and is not transferred to the Factor. Further, the Company has retained legal interest in the factored invoices. As a result, proceeds received from the Factor upon the transfer of accounts receivable are recorded as a liability. This liability is derecognized upon collection of the underlying receivables.

Under the current terms of the arrangement (pursuant to addendum dated May 1, 2025), the Company receives 80% of the invoice value (net of administrative and other fees) at the time of transfer, while the remaining 20% is held as a reserve. This reserve operates on a rolling basis and will be released only upon termination of the factoring arrangement. Administrative and other related fees for factoring are recorded as interest expense under "Interest Income (expense), net" in the Company's Consolidated Statements of Operations.

(b) SBA EIDL loan

On September 26, 2020, the Company received an Small Business Administration Economic Injury Disaster Loan ("SBA EIDL") in the amount of \$150 in response to the COVID-19 pandemic. The loan has a 30-year term with an annual interest rate of 3.75%. The loan includes an initial deferment period during which no payments are required for 24 months from the date of disbursement. The Company may prepay the loan at any time prior to maturity without incurring prepayment penalties.

The loan proceeds must be used exclusively as working capital to address economic injury resulting from the COVID-19 pandemic. As part of the loan agreement, the Company granted the SBA a continuing security interest in all collateral to secure repayment and performance of the Company's obligations under the EIDL loan. The collateral includes all of the Company's tangible and intangible assets.



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17 Debt (continued)

(c) Term loan from CarMax Business services LLC

The Company obtained auto finance loans for its vehicles on June 10, 2021 in the amounts of \$22. The loan has a five-year term and carry an annual interest rate of 5.45%.

The aggregate amount of maturities on the term loans is as follows:

Year ending, December 31	
2026	6
2027	3
2028	3
2029	4
2030 onwards	138
	\$ 154

18 Defined benefit plans

The Company maintains a tax-qualified retirement plan for selected employees based in the U.S. known as the Tryfacta, Inc. 401(k) Profit Sharing Plan and Trust ("401(k) Plan"), which provides eligible employees with an opportunity to save for retirement on a tax-advantaged basis. The Company has declared the 401(k) Plan as a Safe Harbor plan. Under the Safe Harbor provisions, the Company guarantees a contribution of 4% of gross salary of employees. All Company contributions are 100% vested immediately, meaning employees have full ownership of these funds as soon as they are made, with no service requirements to qualify for the match. Additionally, the Company match is credited at the end of each plan year to all participants who contributed during that year, regardless of their employment status at year-end.

For the years ended December 31, 2025 and 2024, the Company recognized expenses related to the Safe Harbor match of \$14 and \$12, respectively. These amounts are included in "Selling, general, and administrative expenses" in the Consolidated Statements of Operations.

The subsidiary company "Tryfacta Global Solutions Private Limited" provides a defined benefit gratuity plan to eligible employees in accordance with applicable labor laws of India. The gratuity benefit is payable upon separation from service and is based on the last drawn salary and years of credited service. As on December 31, 2025, the plan is unfunded, and the Company will meet the liability as it becomes due.

The following is a summary of the Company's Gratuity Plan:

(a) Reconciliation of Benefit Obligation

As of	December 31, 2025	December 31, 2024
Beginning balance	\$ -	\$ -
Acquisition adjustments (Refer Note 7 - Business combination)	27	-
Service cost	3	-
Interest cost	-	-
Actuarial (gain)/loss	(1)	-
Gross benefits paid	-	-
Exchange rate adjustment	(1)	-
Ending balance	\$ 28	\$ -

(b) Amounts recognized in the consolidated balance sheets

As of	December 31, 2025	December 31, 2024
Non-current liabilities (included under other non-current liabilities)	\$ 9	\$ -
Current liabilities (included under accrued liabilities)	19	-
Total accrued liabilities	\$ 28	\$ -



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18 Defined benefit plans (continued)

(c) Net Periodic Benefit Cost

Amounts included in accumulated other comprehensive income (loss) as of December 31, 2025 and 2024 were as follows:

	Year ended December 31, 2025	Year ended December 31, 2024
Net actuarial gain (loss)	\$ 1	-
Other comprehensive income (loss), net	\$ 1	\$ -

Net defined benefit plan costs for the year ended December 31, 2025 and 2024 include the following components:

	Year ended December 31, 2025	Year ended December 31, 2024
Service cost	\$ 3	\$ -
Interest cost	-	-
Net periodic benefit cost included in income from operations	\$ 3	\$ -

(d) Assumptions

The following assumptions are used to calculate the benefit obligation at period ending and the net periodic benefit cost for the subsequent year.

As of	December 31, 2025	December 31, 2024
Discount rate	7.35%	-
Rate of compensation increase	7%	-

19 Income taxes

(a) Income tax expense for the years ended December 31, 2025 & 2024

	Year ended December 31, 2025	Year ended December 31, 2024
Income tax expense	\$ (180)	\$ (367)

(b) Components of income before income tax expense are as follows:

	Year ended December 31, 2025	Year ended December 31, 2024
Domestic (U.S.)	\$ 505	\$ 1,458
Foreign (other than U.S.)	212	-
Income before income tax expense	\$ 717	\$ 1,458

(c) Significant components of the provision for income taxes are as follows:

	Year ended December 31, 2025	Year ended December 31, 2024
Current tax expense:		
Federal	\$ 28	\$ 61
State	22	59
Foreign (other than U.S.)	32	-
	82	120
Deferred tax expense:		
Federal	98	247
	98	247
Total income tax expense	\$ 180	\$ 367



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19 Income taxes (continued)

(d) Components of the Company's deferred tax balances as of December 31, 2025 and December 31, 2024 are as follows:

As of	December 31, 2025	December 31, 2024
Deferred tax assets		
Tax losses and credit carryforwards	\$ 125	\$ 221
Lease liabilities	15	20
India gratuity plan	7	-
Total deferred tax assets	147	241
Deferred tax liabilities		
Right-of-use assets	15	18
Total deferred tax liabilities	15	18
Net of deferred tax assets	\$ 132	\$ 223

As of December 31, 2025 and December 31, 2024, the Company has net operating loss carryforwards of \$594 and \$1,054 respectively for tax purposes, which will be available to offset future taxable income.

(e) Income tax expense differed from the amounts computed by applying the U.S. federal statutory income tax rate of 21% to income before income tax expense due to the following:

	Year ended December 31, 2025	Year ended December 31, 2024
Income before income tax expense	\$ 717	\$ 1,458
Statutory income tax rates	21%	21%
Computed expected income tax expense	151	306
<i>Increase (decrease) in income taxes resulting from:</i>		
Foreign tax rate differential	9	
State income taxes	22	59
Others	(2)	2
Reported income tax expense	\$ 180	\$ 367

20 Leases

The Company has leased an office premise and a vehicle for a period of three years each. The information regarding leases are as follows:

(a) Components of lease cost are summarized below:

	Year ended December 31, 2025	Year ended December 31, 2024
Operating lease cost	38 \$	38
Short-term lease cost	28	3
Total lease cost	\$ 66	\$ 41

(b) Supplemental cash flow related disclosures:

	Year ended December 31, 2025	Year ended December 31, 2024
Cash paid for amounts related to lease liabilities:		
Operating cash flows from operating leases	\$ 42	\$ 44



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Leases (continued...)

(c) Supplemental balance sheet information related to leases:

As of	December 31, 2025	December 31, 2024
Operating leases		
Operating lease right-of-use assets	\$ 70	\$ 84
Operating lease liabilities - Current portion	42	35
Operating lease liabilities - Non-current portion	29	60
Total operating lease liabilities	\$ 71	\$ 95

(d) Other information:

	Year ended December 31, 2025	Year ended December 31, 2024
Weighted-average remaining lease term – operating leases	1.75 years	2.53 years
Weighted-average discount rate – operating leases	7.66%	8.25%

(e) Maturities of lease liabilities:

Years ending, December 31	Operating Leases
2026	\$ 44
2027	27
2028	4
Total future minimum lease payments	75
Less: Imputed interest	(4)
Total lease liabilities	\$ 71

21 Fair value measurements

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy requires that the Company maximize the use of observable inputs and minimize the use of unobservable inputs. The levels of the fair value hierarchy are described below:

Level 1 - Quoted prices for identical instruments traded in active markets.

Level 2 - Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.

Level 3 - Unobservable inputs that cannot be supported by market activity and that are significant to the fair value of the asset, liability, or equity such as the use of certain pricing models, discounted cash flow models and similar techniques that use significant assumptions. These unobservable inputs reflect our own estimates of assumptions that market participants would use in pricing the asset or liability.

The carrying value of cash and cash equivalents, accounts receivable and accounts payable approximates fair value because of their short-term nature. The long-term debt, includes borrowings, which has a fixed interest rate, therefore the carrying amount approximates fair value because interest rates on these instruments approximate the interest rate on debt with similar terms available to us.

There were no transfers between levels during the years ended December 31, 2025 and 2024.

Refer Note 4 for additional details related to measurement of accounts receivable and the concentration of credit risk of accounts receivable.



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22 Related Party Disclosures

(a) Name of the related parties and their relationships

(i) Entities owned directly or indirectly by the Chairperson & CEO

Tryfacta Federal LLC – Owned by the Chairperson

Cloudarity, Inc. – Owned by the Chairperson

Crimson Solutions, Inc. – Owned by an immediate family member of the Chairperson & CEO

Tryfacta Consulting Private Limited – Owned by a relative of the CEO

TryfactaEdu Private Limited – Holding company is owned by the Chairperson

Nexent Capital IFSC Private Limited – Owned by an immediate family member of the CEO

(ii) Key managerial personnel (KMP)

Ratika Tyagi – Chairperson*

Adesh Tyagi – President & Chief Executive Officer (CEO)*

Arman Lokesh Dhar – Executive Vice President & Chief Operating Officer (COO)

Note(): Ratika Tyagi served as Chief Executive Officer of the Company through September 30, 2025. Effective October 1, 2025, Adesh Tyagi was appointed as President and Chief Executive Officer. Subsequently, effective November 1, 2025, Ratika Tyagi was appointed as Chairperson of the Company.*

(b) Related party transactions

Name of the related party	Nature of transaction	Year ended December 31, 2025	Year ended December 31, 2024
Ratika Tyagi	Loan given	\$ 1,247	\$ 6,658
Ratika Tyagi	Loan repaid	690	3,595
Ratika Tyagi	Remuneration	240	240
Crimson Solutions, Inc.	Subcontractor service expense	282	57
Crimson Solutions, Inc.	Loan given	104	81
Crimson Solutions, Inc.	Loan repaid	7	-
Cloudarity, Inc.	Loan given	3,080	30
Tryfacta Federal LLC	Loan given	235	-
Tryfacta Consulting Private Limited	Support service expense	1,550	1,702
TryfactaEdu Private Limited	Reimbursement of expenses by TG SPL	4	-
Nexent Capital IFSC Private Limited	Reimbursement of expenses by TG SPL	10	-

(c) Outstanding balances at year end

Name of the related party	Nature of transaction	December 31, 2025	December 31, 2024
Ratika Tyagi	Loan receivable	\$ 8,184	\$ 7,627
Cloudarity, Inc.	Loan receivable	3,131	50
Tryfacta Federal LLC	Loan receivable	235	-
Crimson Solutions, Inc.	Loan receivable	196	183
Ratika Tyagi	Remuneration payable	10	-
TryfactaEdu Private Limited	Reimbursement of expenses by TG SPL	4	-
Nexent Capital IFSC Private Limited	Reimbursement of expenses by TG SPL	10	-



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23 Segment reporting

The Company's CEO, as the Chief Operating Decision Maker ("CODM"), organizes the Company, manages resource allocation, and measures performance based on a single operating segment - "Recruitment & Staffing Services." The CODM evaluates performance based on net income (loss). The CODM also considers monthly forecasted information for net income (loss) when making decisions regarding capital and personnel needs.

The CODM reviews information at the entity level and does not use asset or liability information when measuring performance or allocating resources. Furthermore, the Company notes that monitoring financial results as a single reportable segment helps the CODM manage expenses and allocate resources on a consolidated basis, consistent with the Company's operations and centralized management structure. The Company operates in the United States of America.

The Company does not regularly provide the CODM with more detailed segment expense information beyond what is included in the Consolidated Statements of Operations and accompanying notes relating to line items included in the Consolidated Statements of Operations.

The Company received revenue from certain customers that each accounted for more than 10% of the Company's total gross revenue for the years ended December 31, 2025 and 2024. The Company's remaining customers do not make up significant percentages of these balances.

Revenue concentration

	Year ended December 31, 2025	Year ended December 31, 2024
Number of customers	3	2
Related total revenue percentage	42%	52%

24 Capital Support

The Company is wholly owned by its sole shareholder Ratika Tyagi. Ratika has historically provided, and has committed to continue providing, financial support to the Company as and when required to meet its obligations and fund its operations for the foreseeable future.

As of the reporting date, the Company has significant receivables outstanding from its related parties. In connection with the proposed listing of the Company's shares, the sole shareholder expects to sell a portion of her shareholding, and the proceeds from such sale are intended to be used to repay the amounts due to the Company.

Based on the expected repayment of these receivables and the ongoing financial support of the sole shareholder, management believes the Company will have sufficient liquidity to meet its obligations for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

25 Contingencies and commitments

There are no commitments as of December 31, 2025.

Legal Proceedings

The Company pays compensation to its employees placed at client sites based on confirmations provided by clients regarding the hours these employees worked at their sites, including regular time, overtime, meal and rest breaks, and similar time categories. The Company is a defendant in a legal action filed by a plaintiff in the Court of California, Alameda County. The lawsuit alleges violations of California wage and hour laws, including claims for unpaid compensation related to meal periods. The case, filed in October 2024, is in the early stages of litigation, with discovery ongoing. The Company believes it is in compliance with California wage and hour laws to the extent it is aware of any overtime, missed meal or rest breaks, and similar issues. The Company is currently reviewing communication records received from clients to identify any potential missed communications in this regard.

Based on the nature of the case, current status of the proceedings, and legal counsel's assessment, management believes that an adverse outcome is possible. However, due to the early stage of litigation and the lack of sufficient information, the amount of potential loss or range of loss cannot be reasonably estimated. Accordingly, no liability has been accrued in the financial statements.

26 Subsequent events

No subsequent events have been identified after the reporting period ended on December 31, 2025.