

**SenseHawk, Inc.**  
**Financial Statements**  
**For the Year Ended 31st December, 2023**

**INDEPENDENT AUDITOR'S REPORT  
TO THE BOARD OF DIRECTORS OF SENSEHAWK, INC.****Opinion**

We have audited the accompanying Special Purpose Financial Statements of SenseHawk, Inc. (hereinafter referred to as "the Company") which comprise the Balance Sheet as at December 31, 2023, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information. These Special Purpose Financial Statements have been prepared by the management of Company per the basis of preparation as described therein, solely for the purpose of preparation of the consolidated financial statements of its holding Company, Reliance Industries Limited.

In our opinion and to the best of our information and according to the explanations given to us, the Special Purpose Financial Statements of the Company for the year ended December 31, 2023 are prepared, in all material respects, in accordance with the basis of preparation of the Special Purpose Financial Statements as disclosed therein and accordingly provide a true and fair view of state of affairs of the Company as at December 31, 2023, and its loss, total comprehensive loss, statement of changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Special Purpose Financial Statements in accordance with the Standards on Auditing ('SAs') issued by Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Special Purpose Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of these Special Purpose Financial Statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Special Purpose Financial Statements.

## **Management's Responsibility for the Special Purpose Financial Statements**

The Company's Board of Director is responsible with respect to the preparation of the Special Purpose Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, statement of changes in equity and cash flows of the Company in accordance with the basis of preparation of these Special Purpose Financial Statements as described therein.

The Management of the Company is responsible for maintenance of adequate accounting records, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The Management of the Company are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibility for the audit of the Special Purpose Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Special Purpose 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 a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Special Purpose Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Special Purpose Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- Obtain an understanding of internal financial 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 controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Special Purpose Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Special Purpose Financial Statements, including the disclosures, and whether the Special Purpose Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Special Purpose Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Special Purpose Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Special Purpose Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Restriction on Distribution and Use**

The Special Purpose Financial Statements have been prepared for the limited purpose of preparation of the consolidated financial statements of Reliance Industries Limited, the holding company of the Company. As a result, these Special Purpose Financial Statements may not be suitable for another purpose. Our report is intended solely for the internal use of the Company and Reliance Industries Limited.

#### **For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants  
(Firm Registration No. 117366W / W - 100018)

**(Abhijit A. Damle)**

(Partner)

(Membership No. 102912)

(UDIN: 24102912BKEPFM6380)

Mumbai, dated April 20, 2024

## SenseHawk, Inc.

## Balance Sheet as at 31st December, 2023

(All amounts in USD, unless otherwise stated)

	Notes	As at 31st December, 2023	As at 31st December, 2022
<b>Assets</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	3a	39,329	37,368
(b) Intangible assets under development	3b	2,178,980	-
(c) Financial Assets			
(i) Investments	4	263,668	263,668
(ii) Other Financial Assets	5	33,300	8,483
<b>Total Non-Current Assets</b>		<b>2,515,277</b>	<b>309,519</b>
<b>Current Assets</b>			
(a) Financial Assets			
(i) Trade Receivables	6	832,754	356,265
(ii) Cash and Cash Equivalents	7	3,294,807	10,739,589
(b) Other Current Assets	8	405,897	1,107,473
<b>Total Current Assets</b>		<b>4,533,458</b>	<b>12,203,327</b>
<b>Total Assets</b>		<b>7,048,735</b>	<b>12,512,846</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
(a) Share Capital	9	481	481
(b) Other Equity	10	6,667,302	12,226,368
<b>Total Equity</b>		<b>6,667,783</b>	<b>12,226,849</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payables	11	313,892	249,332
(b) Other Current Liabilities	12	67,060	36,665
<b>Total Current Liabilities</b>		<b>380,952</b>	<b>285,997</b>
<b>Total Liabilities</b>		<b>380,952</b>	<b>285,997</b>
<b>Total Equity and Liabilities</b>		<b>7,048,735</b>	<b>12,512,846</b>
<b>Material Accounting Policies</b>	2.2		
<b>See Accompanying Notes to the Financial Statements</b>	1-28		

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Registration No. 117366W/W-100018)

For and on behalf of the Board of Directors of  
**SenseHawk, Inc.**  
Registration Number- 30-1090510

**Abhijit A. Damle**  
Partner  
Membership No. 102912

**Swarup Ramapriya Mavanoor**  
Director  
DIN : 02760483

**Rahul Janardan Sankhe**  
Director  
DIN : 02890888

Place: Mumbai, India  
Date: 20th April, 2024

Date: 20th April, 2024

Date: 20th April, 2024

## SenseHawk, Inc.

## Statement of Profit and Loss for the year ended 31st December, 2023

*(All amounts in USD, unless otherwise stated)*

	Notes	Year Ended December 31, 2023	Year Ended December 31, 2022
<b>Income:</b>			
Revenue from Operations	13	2,553,329	1,655,983
Other Income	14	53,611	23,230
<b>Total Income</b>		<b>2,606,940</b>	<b>1,679,213</b>
<b>Expenses:</b>			
Employee Benefits Expense	15	956,590	323,660
Finance Costs	16	10,433	4,530
Depreciation Expense	3a	21,233	49,658
Other Expenses	17	7,177,750	3,263,988
<b>Total Expenses</b>		<b>8,166,006</b>	<b>3,641,836</b>
<b>(Loss) before Tax</b>		<b>(5,559,066)</b>	<b>(1,962,623)</b>
<b>Tax Expense</b>			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
<b>Net tax expense</b>		<b>-</b>	<b>-</b>
<b>(Loss) after tax for the year</b>		<b>(5,559,066)</b>	<b>(1,962,623)</b>
<b>Other Comprehensive Income:</b>			
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive (Loss) for the Year</b>		<b>(5,559,066)</b>	<b>(1,962,623)</b>
<b>Earnings per share of par value of 0.0001 USD each</b>			
Basic (USD)	19	(0.83)	(0.39)
Diluted (USD)	19	(0.83)	(0.39)
<b>Material Accounting Policies</b>	2.2		
<b>See Accompanying Notes to the Financial Statements</b>	1-28		

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Registration No. 117366W/W-100018)

For and on behalf of the Board of Directors of  
**Sensehawk, Inc.**  
Registration Number- 30-1090510

**Abhijit A. Damle**  
Partner  
Membership No. 102912

**Swarup Ramapriya Mavanoor**  
Director  
DIN : 02760483

**Rahul Janardan Sankhe**  
Director  
DIN : 02890888

Place: Mumbai, India  
Date: 20th April, 2024

Date: 20th April, 2024

Date: 20th April, 2024

## SenseHawk, Inc.

## Statement of Changes in Equity (SOCIE) for the year ended 31st December, 2023

(All amounts in USD, unless otherwise stated)

## (a) Equity share capital

Issued, subscribed and fully paid up	Common Stock	Preferred Stock
<b>As at 01st January, 2022</b>	<b>253</b>	<b>21</b>
Shares converted from Preferred stock to Common Stock	207	(21)
Shares bought back by the Company	(167)	-
Issued during the year	167	21
<b>As at 31st December, 2022</b>	<b>460</b>	<b>21</b>
Movement during the year	-	-
<b>As at 31st December, 2023</b>	<b>460</b>	<b>21</b>

## (b) Other equity

Particulars	Reserves and Surplus		Total other equity
	Securities premium	Retained earnings	
<b>As at 01st January, 2022</b>	<b>7,182,548</b>	<b>(4,342,164)</b>	<b>2,840,384</b>
Conversion of Preferred Stock to Common Stock	(187)	-	(187)
Issue of Series B Preferred Stock	12,833,872	-	12,833,872
BuyBack of Common Stock	(9,801,198)	-	(9,801,198)
Issue of Common Stock	10,119,308	-	10,119,308
ESOP BuyBack	(1,803,188)	-	(1,803,188)
Total Comprehensive Loss for the year	-	(1,962,623)	(1,962,623)
<b>As at 31st December, 2022</b>	<b>18,531,155</b>	<b>(6,304,787)</b>	<b>12,226,368</b>
Total Comprehensive Loss for the year	-	(5,559,066)	(5,559,066)
<b>As at 31st December, 2023</b>	<b>18,531,155</b>	<b>(11,863,853)</b>	<b>6,667,302</b>

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Registration No. 117366W/W-100018)

For and on behalf of the Board of Directors of  
**SenseHawk, Inc.**  
Registration Number- 30-1090510

**Abhijit A. Damle**  
Partner  
Membership No. 102912

**Swarup Ramapriya Mavanoor**  
Director  
DIN : 02760483

**Rahul Janardan Sankhe**  
Director  
DIN : 02890888

Place: Mumbai, India  
Date: 20th April, 2024

Date: 20th April, 2024

Date: 20th April, 2024

## SenseHawk, Inc.

## Cash Flow Statement for the year ended 31st December, 2023

(All amounts in USD, unless otherwise stated)

	Year Ended 31st December, 2023	Year Ended 31st December, 2022
<b>A. Cash flow from operating activities</b>		
(Loss) before tax	(5,559,066)	(1,962,623)
<b>Adjustments:</b>		
Depreciation expense	21,233	49,658
Finance costs	10,433	4,530
Bad Debts Written Off	55,050	-
Operating (loss) before working capital changes	<b>(5,472,350)</b>	<b>(1,908,435)</b>
<b>Movement in working capital:</b>		
Change in trade receivables	(531,539)	109,275
Change in other current assets	701,576	(611,209)
Change in other financial assets	(24,817)	(8,483)
Change in trade payables	64,560	93,675
Change in other current liabilities	30,395	(4,994)
<b>Cash (used in) operations</b>	<b>(5,232,175)</b>	<b>(2,330,171)</b>
Income tax received/(paid)	-	-
<b>Net cash (used in) operating activities (A)</b>	<b>(5,232,175)</b>	<b>(2,330,171)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(2,202,174)	(26,174)
<b>Net cash (used in) investing activities (B)</b>	<b>(2,202,174)</b>	<b>(26,174)</b>
<b>C. Cash flow from financing activities</b>		
Finance costs	(10,433)	(4,530)
Buyback of Common Stock	-	(9,801,365)
Buyback of ESOP Outstanding	-	(1,803,189)
Proceeds from Fresh issuance of Common Stock	-	10,119,475
Proceeds from Fresh issuance of Series B Preferred Stock	-	12,833,893
<b>Net cash (used in)/generated from financing activities (C)</b>	<b>(10,433)</b>	<b>11,344,284</b>
<b>Net increase /(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(7,444,782)</b>	<b>8,987,939</b>
Cash and cash equivalents at the beginning of the year	10,739,589	1,751,650
<b>Cash and cash equivalents at the end of the year (Refer Note 7)</b>	<b>3,294,807</b>	<b>10,739,589</b>
<u>Components of cash and cash equivalents for the purpose of cash flow statement</u>		
Cash on hand	-	-
With banks - on current accounts	3,294,807	10,739,589
<b>Total cash and cash equivalents (Note 7)</b>	<b>3,294,807</b>	<b>10,739,589</b>
<b>Material Accounting Policies</b>	2.2	
<b>See Accompanying Notes to the Financial Statements</b>	1-28	

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Registration No. 117366W/W-100018)

For and on behalf of the Board of Directors of  
**SenseHawk, Inc.**  
Registration Number- 30-1090510

**Abhijit A. Damle**  
Partner  
Membership No. 102912

**Swarup Ramapriya Mavanoor**  
Director  
DIN : 02760483

**Rahul Janardan Sankhe**  
Director  
DIN : 02890888

Place: Mumbai, India  
Date: 20th April, 2024

Date: 20th April, 2024

Date: 20th April, 2024

**SenseHawk, Inc.****Notes to the Financial Statements for the year ended 31st December, 2023***(All amounts in USD, unless otherwise stated)*

---

**1 Corporate information**

SenseHawk, Inc. ('the Company') was incorporated on June 11, 2018 in the State of Delaware. The Company's principal activity is to provide software services. The registered office of the Company is 12920 Brandywine Dr., Saratoga, California- 95070 ,USA.

Reliance Industries Limited (RIL) has acquired 79.40% stake in SenseHawk, Inc. w.e.f 21st October 2022, thereby making the Company a subsidiary of RIL.

**2.1 Basis of Preparation of Financial Statements****(a) Statement of compliance**

These Special Purpose financial statements have been prepared for the limited purpose of use by the Board of Directors of the Company, using accounting policies as specified hereinafter.

**(b) Basis of preparation and presentation**

The financial statements have been prepared on accrual basis under the historical cost convention basis except for certain financial assets and liabilities which are measured at fair value or amortised cost.

**2.2 Material accounting policies****(a) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when :

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**SenseHawk, Inc.****Notes to the Financial Statements for the year ended 31st December, 2023*****(All amounts in USD, unless otherwise stated)***

---

**(b) Property plant and equipment***Tangible Assets*

Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost includes freight, duties, taxes (to the extent not recoverable from tax authorities) and expenses incidental to the acquisition/ construction and installation.

The Company provides depreciation on Property, Plant and Equipment on the straight-line method ('SLM'), pro-rata to the period of use based on the useful life of the assets as estimated by the management and is charged to the Statement of Profit and Loss.

Useful life of assets followed by the Company is summarized below:

Category of assets

Computers and Data Processing Units

**(c) Intangible Assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation and impairment losses, if any. Such cost includes purchase price and any cost directly attributable for preparing the asset for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. Expenses directly attributable and reasonably allocable to the project, net of income earned during the project development stage prior to its intended use, are considered as project development expenditure and disclosed under Intangible Assets Under Development. Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised. The Company's intangible assets comprises assets with finite useful life which are amortised on a straightline basis over the period of their expected useful life. The useful lives and the amortisation method are reviewed at the end of each reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

**(d) Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

**SenseHawk, Inc.****Notes to the Financial Statements for the year ended 31st December, 2023***(All amounts in USD, unless otherwise stated)*

---

**(e) Leases****Company as a Lessee**

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

**(f) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial assets****Initial recognition and measurement**

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at Fair Value through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting. However, trade receivables which do not contain a significant financing component are measured at transaction price.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in three categories:

- i) Financial assets at amortised cost
- ii) Financial assets at fair value through other comprehensive income (FVTOCI)
- iii) Financial assets at fair value through profit or loss (FVTPL)

**(i) Financial assets at amortised cost**

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

**(ii) Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

**SenseHawk, Inc.****Notes to the Financial Statements for the year ended 31st December, 2023****(All amounts in USD, unless otherwise stated)**

---

**(iii) Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model.

**(iv) Derecognition of Financial Assets**

The Company derecognizes a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition.

**Impairment of financial assets**

The Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at Fair Value Through Profit and Loss (FVTPL). Expected Credit Losses are measured through a loss allowance at an amount equal to:

- (i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- (ii) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed. For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**Financial liabilities****Initial recognition and measurement**

All financial liabilities are recognised initially at fair value. Fees of recurring nature are directly recognised in the statement of profit and loss as finance cost. The Company's Financial Liabilities comprises of Trade Payables.

**Subsequent measurement**

Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**SenseHawk, Inc.****Notes to the Financial Statements for the year ended 31st December, 2023****(All amounts in USD, unless otherwise stated)**

---

**(g) Revenue recognition***Sale of Services*

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is recognised upon transfer of control of promised services to the customers i.e as and when services are rendered. Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct services to the customer, as specified in the contract, excluding taxes or duties collected on behalf of third parties.

In case of revenue from multiple deliverables, the consideration received from customers is allocated to each separate unit of identifiable deliverable based on its relative fair value. In case the relative fair value of different components cannot be determined on a reasonable basis, the total consideration is allocated on a residual value method.

**(h) Foreign currency transactions and translation**

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss of the year. Monetary assets and liabilities in foreign currency, which are outstanding as at the year end, are translated at the year-end closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss.

**(i) Employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and compensated absences.

## Defined Contribution Plans:

The Company's contribution under the 401(k) which is a defined contribution plan is charged as an expense when services are rendered by the employees.

**(j) Taxes***Current Tax*

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted at the balance sheet date

*Deferred tax*

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**SenseHawk, Inc.****Notes to the Financial Statements for the year ended 31st December, 2023****(All amounts in USD, unless otherwise stated)**

---

**(k) Earnings Per Share (EPS)**

The basic EPS is computed using the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders of the Company (after adjusting for interest on any potential equity shares/instruments, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**(l) Provisions and contingent liabilities**

Provisions are recognized when the Company has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

**(m) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks, which are subject to an insignificant risk of changes in value.

**(n) Cash flow statement**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

**2.3 Critical Accounting Judgements And Key Sources Of Estimation Uncertainty**

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**(A) Depreciation /Amortisation and Useful Lives of Property, Plant and Equipment /Intangible Assets:**

Property, plant and equipment /Intangible Assets are depreciated over their estimated useful lives of the assets. Management reviews the estimated useful lives annually in order to determine the amount of depreciation/Amortisation to be recorded during any reporting period. The useful lives are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/Amortisation for future periods is revised if there are significant changes from previous estimates.

**SenseHawk, Inc.****Notes to the Financial Statements for the year ended 31st December, 2023****(All amounts in USD, unless otherwise stated)**

---

**(B) Impairment of Financial Assets:**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions, as well as, forward looking estimates at the end of each reporting period.

**(C) Impairment of Non- Financial Assets :**

Where indicators of impairment exist for an asset or cash generating unit ("CGU") Management determines the recoverable amount. As part of that determination, in assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, a valuation model is used.

**(D) Income Taxes**

Significant judgements are involved in estimating and determining the provision for income tax including amount expected to be paid/recovered or uncertain tax positions.

## SenseHawk, Inc.

## Notes to the Financial Statements for the year ended 31st December, 2023

(All amounts in USD, unless otherwise stated)

## 3a Property, Plant and Equipment

Particulars	Gross block				Depreciation				Net block
	As at 1st January 2023	Additions during the year	Disposals during the year	As at 31st December 2023	As at 1st January 2023	For the year	Deductions	As at 31st December 2023	As at 31st December 2023
Property, Plant and Equipment Owned Assets Computers and Data Processing Units	119,243	23,194	-	142,437	81,875	21,233	-	103,108	39,329
<b>Total</b>	<b>119,243</b>	<b>23,194</b>	<b>-</b>	<b>142,437</b>	<b>81,875</b>	<b>21,233</b>	<b>-</b>	<b>103,108</b>	<b>39,329</b>

Particulars	Gross block				Depreciation				Net block
	As at 1st January 2022	Additions during the year	Disposals during the year	As at 31st December 2022	As at 1st January 2022	For the year	Deductions	As at 31st December 2022	As at 31st December 2022
Property, Plant and Equipment Owned Assets Computers and Data Processing Units	93,069	26,174	-	119,243	32,217	49,658	-	81,875	37,368
<b>Total</b>	<b>93,069</b>	<b>26,174</b>	<b>-</b>	<b>119,243</b>	<b>32,217</b>	<b>49,658</b>	<b>-</b>	<b>81,875</b>	<b>37,368</b>

Particulars	As at 31st December 2023
Intangible Assets Under Development	2,178,980

## 3b.1 Intangible Assets Under Development ageing schedule as at December 31, 2023

Particulars	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Process	2,178,980	-	-	-	-	2,178,980
Projects temporarily suspended	-	-	-	-	-	-
<b>Total</b>	<b>2,178,980</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,178,980</b>

There are no projects as of December 31, 2023 under Intangible Assets under development whose completion is overdue or has exceeded its cost compared to original plan.

## 4 Investments

	As at 31st December, 2023	As at 31st December, 2022
<b>Investments in Subsidiaries:</b>		
Sensehawk India Private Limited : 18,19,354 equity shares of Rs. 10 each	250,000	250,000
Sensehawk MEA Limited : 50 shares of AED 1,000 each	13,668	13,668
<b>Total</b>	<b>263,668</b>	<b>263,668</b>

## 5 Other non-current financial assets

	As at 31st December, 2023	As at 31st December, 2022
Security Deposits	33,300	8,483
<b>Total</b>	<b>33,300</b>	<b>8,483</b>

## SenseHawk, Inc.

## Notes to the Financial Statements for the year ended 31st December, 2023

(All amounts in USD, unless otherwise stated)

6 Trade Receivables (Unsecured and considered good)	As at 31st December, 2023	As at 31st December, 2022
Trade Receivables	832,754	356,265
<b>Total</b>	<b>832,754</b>	<b>356,265</b>

## 6.1 Trade Receivables Ageing Schedule as at 31st December, 2023

	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	815,176	9,728	7,850	-	-	832,754
Undisputed Trade Receivables - which have significant increase	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
	<b>815,176</b>	<b>9,728</b>	<b>7,850</b>	<b>-</b>	<b>-</b>	<b>832,754</b>

## 6.2 Trade Receivables Ageing Schedule as at 31st December, 2022

	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	276,137	3,181	76,947	-	-	356,265
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
	<b>276,137</b>	<b>3,181</b>	<b>76,947</b>	<b>-</b>	<b>-</b>	<b>356,265</b>

## 7 Cash and Cash Equivalents

	As at 31st December, 2023	As at 31st December, 2022
Balance with banks	3,294,807	10,739,589
<b>Total</b>	<b>3,294,807</b>	<b>10,739,589</b>

## 8 Other Current Assets

	As at 31st December, 2023	As at 31st December, 2022
Prepaid expenses	128,719	61,274
Advance to employees	9,583	3,142
Advance to vendor	-	1,500
Advances to related parties (Refer Note 23)	267,595	1,041,557
<b>Total</b>	<b>405,897</b>	<b>1,107,473</b>

## SenseHawk, Inc.

## Notes to the Financial Statements for the year ended 31st December, 2023

*(All amounts in USD, unless otherwise stated)***9 Share Capital**

	As at 31st December, 2023	As at 31st December, 2022
<b>Authorized</b>		
80,00,000 Shares of Common Stock, \$0.0001 par value per share	800	800
21,18,803 Shares of Preferred Stock, \$0.00001 par value per share	21	21
<b>Total</b>	<b>821</b>	<b>821</b>
<b>Issued, subscribed and fully paid up share capital</b>		
45,96,078 Shares of Common Stock, \$0.0001 par value per share	460	460
21,18,803 Shares of Series B Preferred Stock, \$0.00001 par value per share	21	21
<b>Total</b>	<b>481</b>	<b>481</b>

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the year :**

	Nos.	Amount
<b>Issued, subscribed and fully paid up shares</b>		
<b>Common Stock</b>		
<b>As at 01st January, 2022</b>	<b>2,530,900</b>	<b>253</b>
Shares converted from Preferred stock to Common stock	2,065,178	207
Shares bought back by the company	(1,670,668)	(167)
Shares Issued during the year	1,670,668	167
<b>As at 31st December, 2022</b>	<b>4,596,078</b>	<b>460</b>
Movement during the year	-	-
<b>As at 31st December, 2023</b>	<b>4,596,078</b>	<b>460</b>
<b>Issued, subscribed and fully paid up shares</b>		
<b>Preferred Stock</b>		
<b>As at 01st January, 2022</b>	<b>2,065,178</b>	<b>21</b>
Shares converted from Preferred stock to Common stock	(2,065,178)	(21)
Shares Issued during the year	2,118,803	21
<b>As at 31st December, 2022</b>	<b>2,118,803</b>	<b>21</b>
Movement during the year	-	-
<b>As at 31st December, 2023</b>	<b>2,118,803</b>	<b>21</b>
<b>Total Share Capital</b>	<b>6,714,881</b>	<b>481</b>

**SenseHawk, Inc.****Notes to the Financial Statements for the year ended 31st December, 2023***(All amounts in USD, unless otherwise stated)***(b) Rights, preferences and restrictions attached to shares:**

(i) The Company has two classes of shares: a) Common stock having a par value of USD 0.0001 per share and b) Series B Preferred Stock having a par value of USD 0.00001 per share. Each holder of Common Stock is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the Common Stockholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

**(c) Shares held by Holding Company:**

Particulars	As at 31st	As at 31st
	December, 2023	December, 2022
	Number of	Number of
	shares	shares
	held	held
<u>Reliance Industries Limited</u>		
- Common Stock	3,212,690	3,212,690
- Preferred Stock	2,118,803	2,118,803
<b>Total</b>	<b>5,331,493</b>	<b>5,331,493</b>

**(d) Details of shareholders holding more than 5% shares in the Company:**

Name of the shareholder	As at 31st December, 2023		As at 31st December, 2022	
	Number of shares held	% Holding	Number of shares held	% Holding
<b><u>Common Stock</u></b>				
Reliance Industries Limited	3,212,690	69.90%	3,212,690	69.90%
Rahul Janardan Sankhe	403,416	8.78%	403,416	8.78%
Swarup Ramapriya Mavanoor	403,416	8.78%	403,416	8.78%
Elevation Capital VI Limited	309,000	6.72%	309,000	6.72%
<b><u>Preferred Stock</u></b>				
Reliance Industries Limited	2,118,803	100.00%	2,118,803	100.00%
<b><u>Total Stock</u></b>				
Reliance Industries Limited	5,331,493	79.40%	5,331,493	79.40%
Rahul Janardan Sankhe	403,416	6.01%	403,416	6.01%
Swarup Ramapriya Mavanoor	403,416	6.01%	403,416	6.01%

## SenseHawk, Inc.

## Notes to the Financial Statements for the year ended 31st December, 2023

(All amounts in USD, unless otherwise stated)

10 Other Equity	As at 31st December, 2023	As at 31st December, 2022
<b>Securities premium</b>		
As per last Balance Sheet	18,531,155	7,182,548
Conversion of Series A and Series A1 Preferred Stock to Common	-	(187)
Issue of Series B Preferred Stock during the year	-	12,833,872
Issue of Common Stock during the year	-	10,119,308
BuyBack of Common Stock during the year	-	(9,801,198)
ESOP BuyBack	-	(1,803,188)
<b>Total</b>	<b>18,531,155</b>	<b>18,531,155</b>
<b>Retained Earnings</b>		
As per last Balance Sheet	(6,304,787)	(4,342,164)
Total Comprehensive Loss for the year	(5,559,066)	(1,962,623)
<b>Total</b>	<b>(11,863,853)</b>	<b>(6,304,787)</b>
<b>Total Other Equity</b>	<b>6,667,302</b>	<b>12,226,368</b>

11 Trade Payables	As at 31st December, 2023	As at 31st December, 2022
Trade payables	313,892	249,332
<b>Total</b>	<b>313,892</b>	<b>249,332</b>

## Ageing for trade payables as on 31st December, 2023 :

	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Others	313,892	-	-	-	313,892
Disputed Dues - Others	-	-	-	-	-
	<b>313,892</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>313,892</b>

## Ageing for trade payables as on 31st December, 2022 :

	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Others	249,332	-	-	-	249,332
Disputed Dues - Others	-	-	-	-	-
	<b>249,332</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>249,332</b>

12 Other Current Liabilities	As at 31st December, 2023	As at 31st December, 2022
Deferred Revenue	12,204	3,564
Statutory liabilities	1,473	-
Other Payables	53,383	33,101
<b>Total</b>	<b>67,060</b>	<b>36,665</b>

## SenseHawk, Inc.

## Notes to the Financial Statements for the year ended 31st December, 2023

*(All amounts in USD, unless otherwise stated)*

<b>13 Revenue from Operations</b>	<b>Year Ended December 31, 2023</b>	<b>Year Ended December 31, 2022</b>
Sale of Services		
Data analytical services	2,553,329	1,655,983
<b>Total</b>	<b>2,553,329</b>	<b>1,655,983</b>
<b>14 Other Income</b>	<b>Year Ended December 31, 2023</b>	<b>Year Ended December 31, 2022</b>
Interest Income	53,611	23,230
<b>Total</b>	<b>53,611</b>	<b>23,230</b>
<b>15 Employee Benefits Expense</b>	<b>Year Ended December 31, 2023</b>	<b>Year Ended December 31, 2022</b>
Salaries and wages	857,675	283,282
Contribution to Defined Contribution Schemes	52,209	25,700
Staff Welfare Expenses	46,706	14,678
<b>Total</b>	<b>956,590</b>	<b>323,660</b>
<b>16 Finance Costs</b>	<b>Year Ended December 31, 2023</b>	<b>Year Ended December 31, 2022</b>
Bank Charges	10,433	4,530
<b>Total</b>	<b>10,433</b>	<b>4,530</b>
<b>17 Other Expenses</b>	<b>Year Ended December 31, 2023</b>	<b>Year Ended December 31, 2022</b>
Data Collection charges	740,032	529,511
Online Server Expense	249,561	181,481
Advertising and Sales Promotion	149,061	82,517
Communication costs	7,515	12,644
Legal and Professional fees	845,804	737,415
Payment to Auditor (Refer Note 17.1)	6,041	6,041
Rates and Taxes	12,493	6,183
Rent	9,825	21,466
Office expense	40,763	25,275
Sales Commission	48,736	30,796
Travelling and conveyance	292,657	140,137
Insurance Expense	36,881	15,463
Software and Web Charges	370,320	158,520
Software and business Development Charges (Refer Note 23)	4,151,166	1,107,949
Management and Advisory Fees (Refer Note 23)	134,827	189,940
Foreign exchange loss (Net)	22,863	14,942
Bad Debts Written Off	55,050	-
Miscellaneous expenses	4,155	3,708
<b>Total</b>	<b>7,177,750</b>	<b>3,263,988</b>

## SenseHawk, Inc.

## Notes to the Financial Statements for the year ended 31st December, 2023

(All amounts in USD, unless otherwise stated)

## 17.1 Payment to Auditors

	Year Ended December 31, 2023	Year Ended December 31, 2022
<b>As Auditor:</b>		
Audit Fees	6,041	6,041
	<b>6,041</b>	<b>6,041</b>

- 18 The Company has incurred losses during the current year and the previous year and has " Net Operating Loss carry forward position". However Deferred Tax Asset is not recognised due to uncertainty of sufficient future taxable income to offset the deductible temporary difference.

## 19 Earnings per share (EPS)

	Year Ended December 31, 2023	Year Ended December 31, 2022
The following reflects the basic and diluted EPS computations:		
<b>Face Value per Equity Share (USD)</b>	0.0001	0.0001
<b>Net Loss as per Statement of Profit and Loss (A)</b>	<b>(5,559,066)</b>	<b>(1,962,623)</b>
Add: Adjustments for potential equity shares from convertible preferred shares	-	
<b>Net Loss adjusted for Basic and Diluted EPS for the period (B)</b>	<b>(5,559,066)</b>	<b>(1,962,623)</b>
<b>Weighted average number of equity shares (C)</b>	<b>4,596,078</b>	<b>2,943,936</b>
Add: Weighted average number of potential equity shares from compulsorily convertible preference shares	2,118,803	2,070,098
<b>Weighted average number of equity shares adjusted for Basic and Diluted EPS (D)</b>	<b>6,714,881</b>	<b>5,014,034</b>
<b>Basic Earnings per Share (USD) (A/D)</b>	<b>(0.83)</b>	<b>(0.39)</b>
<b>Diluted Earnings per Share (USD) (B/D)</b>	<b>(0.83)</b>	<b>(0.39)</b>

## 20 Capital Management Risk:

The Company adheres to a disciplined Capital Management framework, the pillars of which are as follows:

a) Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimise liquidity risk.

b) Manage financial market risks arising from foreign exchange and interest rates, and minimise the impact of market volatility on earnings.

c) Leverage optimally in order to maximise shareholder returns while maintaining strength and flexibility of Balance Sheet. This framework is adjusted based on underlying macroeconomic factors affecting business environment, financial market conditions and interest rates environment.

The net gearing ratio at the end of each reporting period was as follows:

Gearing ratio:

	As at 31st December, 2023	As at 31st December, 2022
The gearing ratio at the end of the period was as follows :		
Debt	-	-
Less: Cash and cash equivalents (Note 7)	(3,294,807)	10,739,589
<b>Net debt (A)</b>	<b>7,444,782</b>	<b>10,739,589</b>
<b>Total equity</b>	<b>6,667,783</b>	<b>12,226,849</b>
<b>Net debt to equity ratio (A/B)</b>	<b>-</b>	<b>-</b>

## SenseHawk, Inc.

## Notes to the Financial Statements for the year ended 31st December, 2023

*(All amounts in USD, unless otherwise stated)***21 Fair value measurement hierarchy**

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table provides the fair value measurement hierarchy of financial assets and liabilities of the Company:

Particulars	As at 31st December 2023			
	Carrying Amount	Level of input used in	Level of input used in	Level of input used
		Level-1	Level-2	Level-3
<b>Financial assets</b>				
<b>At Amortised cost</b>				
Trade Receivables	832,754	-	-	-
Cash and Bank Balances	3,294,807	-	-	-
Investments-Non Current	263,668	-	-	-
Other Financial Assets-Non Current	33,300	-	-	-
<b>Total</b>	<b>4,424,529</b>	-	-	-
<b>Financial liabilities</b>				
<b>At Amortised cost</b>				
Trade payables	313,892	-	-	-
<b>Total</b>	<b>313,892</b>	-	-	-

Particulars	As at 31st December 2022			
	Carrying Amount	Level of input used in	Level of input used in	Level of input used
		Level-1	Level-2	Level-3
<b>Financial assets</b>				
<b>At Amortised cost</b>				
Trade Receivables	356,265	-	-	-
Cash and Bank Balances	10,739,589	-	-	-
Investments-Non Current	263,668	-	-	-
Other Financial Assets-Non Current	8,483	-	-	-
<b>Total</b>	<b>11,368,005</b>	-	-	-
<b>Financial liabilities</b>				
<b>At Amortised cost</b>				
Trade payables	249,332	-	-	-
<b>Total</b>	<b>249,332</b>	-	-	-

## SenseHawk, Inc.

## Notes to the Financial Statements for the year ended 31st December, 2023

*(All amounts in USD, unless otherwise stated)***22 Financial Risk Management**

The Company's principal financial liabilities, comprise of trade payables. The company's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risk and works towards minimizing the potential adverse effects, if any, on its financial performance.

**(a) Market Risk:**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises interest rate risk and currency rate risk. Financial instruments affected by market risk include loans and borrowings, payables and deposits. The sensitivity analyses in the following sections relate to the position as at the balance sheet date. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as as at the balance sheet date.

**(i) Interest rate risk**

The Company's Bank Balances are carried at amortised cost. They are therefore not subject to interest rate risk since neither the carrying amount nor the future cash flows will fluctuate because of change in market interest rates.

**(ii) Foreign Currency risk**

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than USD. Apart from the below mentioned foreign currency exposure the Company does not have any foreign currency exposure outstanding as on 31 December 2023.

The Company is primarily exposed to the following market risks.

Particulars	Foreign Currency Denomination	As at 31st December 2023		As at 31st December 2022	
		Foreign Currency	Equivalent (In USD)	Foreign Currency	Equivalent (In USD)
Trade Payables	AUD	1,565	992	1,200	816
Trade Payables	EUR	-	-	13,553	14,671
Trade Payables (Refer Note 23)	INR	15,755,943	189,072	2,875,889	34,746
Trade Receivables	AUD	39,468	28,353	29,009	19,464
Trade Receivables	EUR	93,362	100,858	41,743	43,201
Trade Receivables	JPY	-	-	484,740	3,547
Advance to Related Party (Refer Note 23)	AED	991,093	267,595	3,825,325	1,041,557

**(b) Credit risk Management:**

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade receivables and other financial assets. The Company ensure that sales of services are made to customers with appropriate creditworthiness. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

With respect to other financial assets, the Company has internal team to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Company has a prudent and conservative process for managing its credit risk arising in the course of its business activities.

## SenseHawk, Inc.

## Notes to the Financial Statements for the year ended 31st December, 2023

*(All amounts in USD, unless otherwise stated)***(c) Liquidity Risk:**

Liquidity risk arises from the Company's inability to meet its cash flow commitments on the due date. The Company maintains sufficient stock of cash, marketable securities and committed credit facilities. The Company accesses local financial markets to meet its liquidity requirements. Treasury monitors rolling forecasts of the Company's cash flow position and ensures that the Company is able to meet its financial obligation at all times including contingencies.

The Company's liquidity is managed centrally with operating units forecasting their cash and liquidity requirements. Treasury pools the cash surpluses and arranges to either fund the net deficit or invest the net surplus in a range of short-dated, secure and liquid instruments including short-term bank deposits and similar instruments. The portfolio of these investments is diversified to avoid concentration risk in any one instrument or counterparty.

The table below summarises the maturity profile of the Company's financial liabilities as below:

	As at 31st December, 2023			As at 31st December, 2022		
	Less than 1 year	More than 1 year	Total	Less than 1 year	More than 1 year	Total
Trade Payables	313,892	-	313,892	249,332	-	249,332

## SenseHawk, Inc.

## Notes to the Financial Statements for the year ended 31st December, 2023

*(All amounts in USD, unless otherwise stated)***23 Related party disclosures****(1) Names of related parties and related party relationship**

Holding Company (Control Exists)	Reliance Industries Limited , India
Subsidiary (Control Exists)	Sensehawk India Private Limited, India Sensehawk MEA Limited, UAE

**(2) Related party transactions**

Details of transactions entered into with related parties along with balances as at year end are as given below:

**A. Transactions during the year**

	<b>Year Ended December 31, 2023</b>	<b>Year Ended December 31, 2022</b>
<b>Management and advisory Fees</b>		
Sensehawk MEA Limited	134,827	189,940
	<b>134,827</b>	<b>189,940</b>
<b>Recovery of Expenses</b>		
Sensehawk MEA Limited	-	10,306
	-	<b>10,306</b>
<b>Other Expenses</b>		
Sensehawk India Private Limited	8,403	5,149
Sensehawk MEA Limited	100,578	-
	<b>108,981</b>	<b>5,149</b>
<b>Software and Business Development Support Services</b>		
Sensehawk India Private Limited	1,691,589	1,107,949
Sensehawk MEA Limited	4,638,557	-
	<b>6,330,146</b>	<b>1,107,949</b>
<b>B. Balances outstanding</b>	<b>As at</b>	<b>As at</b>
	<b>December 31, 2023</b>	<b>December 31, 2022</b>
<b>Advance Recoverable</b>		
Sensehawk MEA Limited	267,595	1,041,557
	<b>267,595</b>	<b>1,041,557</b>
<b>Trade Payables</b>		
Sensehawk India Private Limited	189,072	34,081
	<b>189,072</b>	<b>34,081</b>

**SenseHawk, Inc.****Notes to the Financial Statements for the year ended 31st December, 2023***(All amounts in USD, unless otherwise stated)*

---

**24 Segment information:**

The Board of Directors of the Company being the Chief Operating Decision Maker (CODM) review information presented in the financial statement for purposes of allocating revenue and evaluating financial performance.

The Company has one operating and reportable segment i.e. Data analytical services. Hence, no further disclosures of segment wise information is required to be provided.

**25 Events after reporting period:**

There were no subsequent events after the reporting date which requires disclosure or adjustment to the reported amounts.

**26** There are no outstanding Contingent Liabilities and Capital Commitments in the name of the Company as on 31st December, 2023.

**27** Previous year's figures have been regrouped/rearranged wherever necessary to correspond with current year's classification /disclosures.

**28** The financial statements were approved for issue by the board of directors on 20th April, 2024.

---

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Registration No. 117366W/W-100018)

For and on behalf of the Board of Directors of

**SenseHawk, Inc.**

Registration Number- 30-1090510

**Abhijit A. Damle**

Partner

Membership No. 102912

**Swarup Ramapriya Mavanoor**

Director

DIN : 02760483

**Rahul Janardan Sankhe**

Director

DIN : 02890888

Place: Mumbai, India

Date: 20th April, 2024

Date: 20th April, 2024

Date: 20th April, 2024