

**2545887 ONTARIO INC.**  
**FINANCIAL INFORMATION**  
**FOR THE YEAR ENDED MARCH 31, 2023**

**2545887 ONTARIO INC.**  
**INDEX TO THE FINANCIAL INFORMATION**  
**YEAR ENDED MARCH 31, 2023**

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Chartered  
Professional  
Accountants

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### COMPILATION ENGAGEMENT REPORT

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On the basis of information provided by management, we have compiled the balance sheet of 2545887 Ontario Inc. as at March 31, 2023 and the statement of loss and deficit for the year then ended, and the note to the financial information, which describes the basis of accounting applied in the preparation of the compiled financial information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, Compilation Engagements, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.


A handwritten signature in black ink that reads 'RLB LLP'.

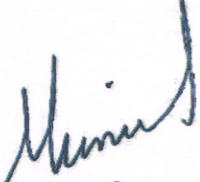
Guelph, Ontario  
May 18, 2023

Chartered Professional Accountants  
Licensed Public Accountants

**2545887 ONTARIO INC.**  
**BALANCE SHEET (IN CDN \$)**  
**AS AT MARCH 31, 2023**

	2023	2022
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 52	\$ 28,409
Short term investments	1,201,438	1,169,984
Prepaid expenses	<u>122,973</u>	<u>141,220</u>
	1,324,463	1,339,613
<b>LONG TERM INVESTMENTS</b>		
	<u>50,873,040</u>	<u>50,873,040</u>
	<u>\$ 52,197,503</u>	<u>\$ 52,212,653</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 81,437	\$ 30,582
Due to related parties	1,538,897	579,299
Current portion of long term debt (note 3)	<u>1,028,806</u>	<u>0</u>
	2,649,140	609,881
<b>LONG TERM DEBT (note 3)</b>		
	<u>26,348,991</u>	<u>26,836,453</u>
	<u>28,998,131</u>	<u>27,446,334</u>
<b>SHAREHOLDER'S EQUITY</b>		
<b>SHARE CAPITAL</b>		
Issued Capital		
29,864,225 Common shares	29,864,225	29,864,225
<b>DEFICIT</b>		
	<u>(6,664,853)</u>	<u>(5,097,906)</u>
	<u>23,199,372</u>	<u>24,766,319</u>
	<u>\$ 52,197,503</u>	<u>\$ 52,212,653</u>

  
RAJESH KUMAR


  
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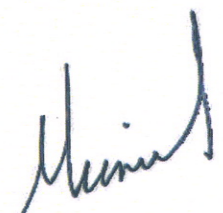
2545887 ONTARIO INC.

STATEMENT OF LOSS AND DEFICIT (IN CDN \$)

FOR THE YEAR ENDED MARCH 31, 2023

	2023	2022
REVENUE	\$ <u>232,455</u>	\$ <u>205,409</u>
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	<u>1,799,402</u>	<u>920,041</u>
LOSS FROM OPERATIONS	(1,566,947)	(714,632)
OTHER INCOME	<u>0</u>	<u>51</u>
NET LOSS for the year	(1,566,947)	(714,581)
DEFICIT, beginning of year	<u>(5,097,906)</u>	<u>(4,383,325)</u>
DEFICIT, end of year	<u><u>\$(6,664,853)</u></u>	<u><u>\$(5,097,906)</u></u>

  
RAJESH KUMAR

  
MUNISH SAPRA

**2545887 ONTARIO INC.**

**NOTES TO THE FINANCIAL INFORMATION**

**FOR THE YEAR ENDED MARCH 31, 2023**

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**1. NATURE OF BUSINESS**

The company is incorporated under the provisions of the Ontario Business Corporations Act and is primarily an investment holding company.

**2. BASIS OF ACCOUNTING**

The basis of accounting applied in the preparation of the balance sheet of 2545887 Ontario Inc. as at March 31, 2023, and the income statement for the year then ended, is the historical cost basis and reflects cash transactions with the addition of:

- a) Investments are recorded at cost
- b) Prepaid expenses pertain to future periods
- c) Accounts payable and accrued liabilities which are as at the reporting date
- d) Revenue is recognized in the period which the related expenditures occur

**3. LONG TERM DEBT**


**Fiera Private Debt Fund V LP:**

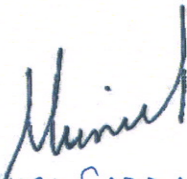
The company, along with its wholly-owned subsidiaries (2504584 Ontario Inc., 2323532 Ontario Inc., The Hi-Tech Gears Canada Inc., Teutech Holding Co., Teutech Leasing Co. and Teutech LLC) has entered into an agreement with Fiera Private Debt Fund V LP.

The company has \$27,377,797 (2022 - \$26,836,453) balance due as of March 31st. Pursuant to the Forbearance Agreement ("FA"), from and after January 15, 2022 to January 15, 2024, the loan bears interest as below:

- 2.00% per annum paid in cash each month; and
- 3.99% per annum paid-in-kind which shall accrue and be added to the loan as additional principal each month.

An amendment to the FA was executed, whereby the company started paying the full interest (5.99%) effective October 1, 2022. The forbearance period ends at the earlier of January 15, 2024 or the date of a forbearance default. During this period, the lender is doing quarterly cash flow sweeps as principal payments against the loan. All financial covenants are suspended during the forbearance period.

  
RAJESH KUMAR

  
MUKISH SAPRA