

**3I INFOTECH SOFTWARE SOLUTIONS  
L.L.C**

**DUBAI**

**Financial statements**

**Period ended March 31, 2019**

## 3I INFOTECH SOFTWARE SOLUTIONS L.L.C, DUBAI

Financial statements for the period ended March 31, 2019

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## 3I INFOTECH SOFTWARE SOLUTIONS L.L.C, DUBAI

### Manager's report

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The Manager has pleasure in submitting their report and the financial statements of 3I Infotech Software Solutions L.L.C, Dubai ("the Company") for the period ended March 31, 2019.

#### Activities

The principal activities of the Company include design services, computer repairing and maintenance, computer systems and communication equipment software design, computer systems housing services and internet content provider services. The Company is also engaged in trading of computer and requisites, computer systems and communication equipment software. Computer repairs, maintenance and software design services.


#### Financial position

During the period, the Company achieved a turnover of AED 518,750. The net loss for the period amounted to AED 30,663. The Company's net assets as at the date of statement of financial position were AED 269,337.

#### Auditors

A resolution to reappoint M B C Auditing and Accounting, as the auditors for the ensuing year, will be put to the members at the Annual General Meeting.

For and on behalf of the Company

  
Sandip Kumar Jai Prakash Singh  
Manager



July 31, 2019



**Independent Auditor's report to the shareholders of 3I Infotech Software Solutions L.L.C, Dubai****Report on the audit of the financial statements****Opinion**

We have audited the financial statements of 3I Infotech Software Solutions L.L.C, Dubai (the "Company"), which comprise the statement of financial position as at 31 March 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2019, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards for Small and Medium - sized Entities ("IFRSs for SME").

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). 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 independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of Management and Directors for the Financial Statements**

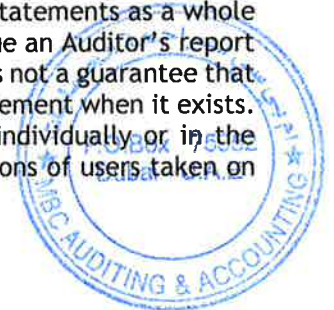
Management and Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs for SME and in compliance with the applicable provisions of the Company's Articles of Association and the UAE Federal Law No. (2) of 2015, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and directors are 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 the Company or to cease operations, or has no realistic alternative but to do so.

Directors are responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs 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 financial statements.



**Independent Auditor's report to the shareholders of 3I Infotech Software Solutions L.L.C, Dubai  
(Continued)**

***Auditor's Responsibilities for the Audit of the Financial Statements (Continued)***

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

- Identify and assess the risks of material misstatement of the 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 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with directors 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.

***Report on other legal and regulatory requirements***

Further, as required by the UAE Federal Law No. (2) of 2015, we report that:

- i) the Company has maintained proper books of account;
- ii) we have obtained all the information we considered necessary for the purposes of our audit 75952 Dubai - U.A.E
- iii) the financial statements have been prepared and comply, in all material respects, with the applicable provisions of the Company's Articles of Association and the UAE Federal Law No. (2) of 2015;





MAYUR BATRA GROUP

**Independent Auditor's report to the shareholders of 3I Infotech Software Solutions L.L.C, Dubai  
(Continued)**

**Report on other legal and regulatory requirements (Continued)**

- iv) the financial information included in the Manager's report is consistent with the books of account of the Company;
- v) investments in shares and stocks during the year ended 31 March 2019, if any, are disclosed in the financial statements;
- vi) Note 6 reflects material related party transactions and the terms under which they were conducted are disclosed in the financial statements;
- vii) based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Company has contravened during the financial year ended 31 March 2019, any of the applicable provisions of the UAE Federal Law No. (2) of 2015 or of its Articles of Association which would have a material impact on its activities or its financial position as at 31 March 2019; and
- viii) the social contributions made during the year are disclosed in the financial statements.

**For M B C Auditing and Accounting**

**Ahmed Hasan Yousef Alhosani  
Reg. No. 518**

**Dubai, United Arab Emirates**



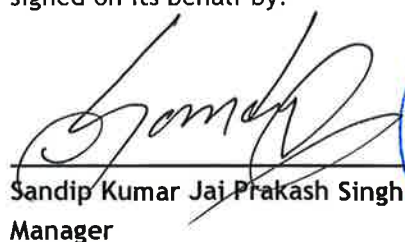
31 JUL 2019

3I INFOTECH SOFTWARE SOLUTIONS L.L.C, DUBAI

Statement of financial position at March 31, 2019

	Note	31/03/2019 AED
<b>ASSETS</b>		
<b>Non current assets</b>		
Property, plant and equipment	5	<u>1,002</u>
Total non current assets		<u>1,002</u>
<b>Current assets</b>		
Trade and other receivables	6	409,862
Bank balances and cash	8	<u>801,482</u>
Total current assets		<u>1,211,344</u>
<b>Current liabilities</b>		
Accruals and other payables	9	39,657
Due to related parties	7	<u>903,352</u>
Total current liabilities		<u>943,009</u>
<b>Net current assets</b>		<u>268,335</u>
<b>Net assets</b>		<u>269,337</u>
<b>Equity</b>		
Share capital	10	300,000
Accumulated deficit		<u>(30,663)</u>
<b>Total equity</b>		<u>269,337</u>

These financial statements have been approved by the Board of Directors on July 31, 2019 and are signed on its behalf by:

  
Sandip Kumar Jai Prakash Singh  
Manager



3I INFOTECH SOFTWARE SOLUTIONS L.L.C, DUBAI

Statement of comprehensive income for the period ended March 31, 2019

	Note	15/05/2018 to 31/03/2019 AED
Revenue		518,750
Cost of revenue		<u>(289,890)</u>
<b>Gross profit</b>		<b>228,860</b>
Administration and general expenses	12	(259,487)
Depreciation	5	<u>(36)</u>
		<b>(259,523)</b>
<b>Net loss for the period</b>		<b>(30,663)</b>
<b>Total comprehensive income for the period</b>		<b>(30,663)</b>





3I INFOTECH SOFTWARE SOLUTIONS L.L.C, DUBAI

Statement of changes in equity for the period ended March 31, 2019

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	Share capital AED	Accumulated deficit AED	Total equity AED
Share capital introduced	300,000	-	300,000
Total comprehensive income for the period	-	(30,663)	(30,663)
Balance at March 31, 2019	<u>300,000</u>	<u>(30,663)</u>	<u>269,337</u>



3I INFOTECH SOFTWARE SOLUTIONS L.L.C, DUBAI

Statement of cash flows for the period ended March 31, 2019

	Note	15/05/2018 to 31/03/2019 AED
<b>Cash flows from operating activities</b>		
Net loss for the period		(30,663)
Adjustments for non cash items:		
Depreciation	5	36
Operating loss before working capital changes		(30,627)
Increase in trade and other receivables	6	(409,862)
Increase in accruals and other payables	9	39,657
Increase in due to related parties	7	903,352
<b>Net cash generated from operating activities</b>		<b>502,520</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	5	(1,038)
<b>Net cash used in investing activities</b>		<b>(1,038)</b>
<b>Cash flow from financing activities</b>		
Share capital introduced	10	300,000
<b>Net cash generated from financing activities</b>		<b>300,000</b>
<b>Net increase in cash and cash equivalents</b>		<b>801,482</b>
Cash and cash equivalents at beginning of period		-
<b>Cash and cash equivalents at end of period</b>	8	<b>801,482</b>



## 3I INFOTECH SOFTWARE SOLUTIONS L.L.C, DUBAI

### Notes to the financial statements for the period ended March 31, 2019

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#### 1 Status and activity

3I INFOTECH SOFTWARE SOLUTIONS L.L.C, DUBAI ("the Company") is a Limited Liability Company incorporated in the Emirate of Dubai under UAE Commercial Companies Federal Law No. 2 of 2015. The principal place of business of the Company is located at Al Barsha, Post Box No. 25671, Dubai, United Arab Emirates.

The principal activities of the Company include design services, computer repairing and maintenance, computer systems and communication equipment software design, computer systems housing services and internet content provider services. The Company is also engaged in trading of computer and requisites, computer systems and communication equipment software. Computer repairs, maintenance and software design services.

The financial statements for the period ended March 31, 2019 were authorised for issue by the Board of Directors on July 31, 2019.

These financial statements are presented in UAE Dirhams ("AED").

#### 2 Accounting period

The Company commenced its business operations on May 15, 2018 and accordingly, these financial statements relate to the eleven months period from the said date of commencement of business to March 31, 2019.

#### 3 Significant accounting policies

These financial statements are prepared under the historical cost convention and in accordance with International Financial Reporting Standards for Small and Medium-sized Entities. These financial statements also comply with the Implementing Regulations of UAE Commercial Companies Federal Law No. 2 of 2015.

The significant accounting policies adopted in the preparation of these financial statements are set out below. The policies have been consistently applied to all periods presented unless otherwise stated.

##### ***Property, plant and equipment***

Property, plant and equipment are initially recognized at cost. Subsequent costs are included in the asset's carrying amount or recognized 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 of the item can be measured reliably. The carrying amount of a replaced part is derecognized. All other repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

Subsequent to the initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Property, plant and equipment are tested for impairment at each statement of financial position date.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognized in the statement of comprehensive income.



**3 Significant accounting policies (Continued)**

**Depreciation**

Depreciation is consistently provided on the straight line basis so as to write off the cost of property, plant and equipment over their estimated useful lives. The expected useful lives of the property, plant and equipment are estimated as follows:

Office equipments	5 years
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**Impairments**

The carrying amounts of the Company's assets are reviewed annually at each date of the statement of financial position to determine whether the assets have been impaired during the period. Where an asset has been impaired, the recoverable amount of the asset is determined. Where the carrying amount exceeds the recoverable amount, the asset is written down to its recoverable amount. The resultant impairment loss is recognized as an expense in the statement of comprehensive income.

**Trade receivables**

Trade receivables are carried at anticipated realisable value. Provision for doubtful debts is recognised using the simplified expected credit loss approach in which loss allowance is measured at an amount equal to lifetime expected losses updated at each reporting date. Bad debts are written off during the year in which they are identified.

**Financial assets**

Financial assets are classified into the following specified categories: cash and cash equivalents, debt instruments measured at amortised cost. The classification depends on the nature and purpose of the financial assets. The initial recognition of all the financial assets is at transaction cost unless the arrangement constitutes, in effect, a financing transaction.

The financial assets consist of debt instruments. Debt instruments comprise of trade and other receivables that have fixed or determinable payments and do not bear any interest. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss.

**Employees' end of service gratuities**

Provision for employees' end of service gratuities is made on the basis prescribed in the UAE Labour Law, for the accumulated period of service at the date of the statement of financial position. In accordance with the consistent policy being followed in this regard, provision for employees' end of service gratuities is treated as a long term liability.



**3 Significant accounting policies (Continued)**

***Provisions***

Provisions are recognized in the statement of financial position when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

***Financial liabilities***

Financial liabilities are classified as either financial liabilities at fair value through profit or loss account or other financial liabilities. The Company's financial liabilities consist of due to related parties, trade and other payables. Financial liabilities are initially measured at fair value, net of transaction costs. The subsequent measurement is at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

***Revenue recognition***

Revenue from the sale of goods is recognised net of discounts, when the significant risks and rewards of ownership of the goods have passed to the buyer and the amount is measured reliably.

Revenue from services is recognised when the services are rendered and are spread over the period of contract. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

***Leasing***

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight line basis over the period of the lease.

***Foreign currencies***

Transactions in foreign currencies during the period are converted into AED at rates of exchange ruling at the transaction dates. Monetary assets and liabilities in foreign currencies are translated to AED at the rates of exchange ruling at the date of the statement of financial position. All gains and losses on exchange are taken to the statement of comprehensive income.

***Cash and cash equivalents***

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and bank balances.



**4 Critical accounting judgments and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described in note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

**Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the date of the statement of financial position, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are discussed below.

**Property, plant and equipment**

Property, plant and equipment are depreciated over their estimated useful lives, which is based on estimates for expected usage of the asset and expected physical wear and tear which are dependent on operational factors. Management has not considered any residual value as it is deemed immaterial.

**Allowance for doubtful debts**

An allowance for doubtful debts is determined using a combination of factors to ensure that the trade receivables are not overstated due to uncollectibility. The allowance for doubtful debts for all customers is based on a variety of factors, including the overall quality and ageing of receivables, continuing credit evaluation of the customers' financial condition and collateral requirements from customers in certain circumstances.

**5 Property, plant and equipment**

Movements in property, plant and equipment are given on page 17.

**6 Trade and other receivables**

	31/03/2019 AED
Trade receivables	296,770
Prepayments	94,670
Deposits	7,000
Other receivables	11,422
	409,862
	409,862

The carrying amount of trade receivables approximates to its fair value, which is based on an estimate of the recoverable amount.



## 3i INFOTECH SOFTWARE SOLUTIONS L.L.C, DUBAI

Notes to the financial statements for the period ended March 31, 2019 (Continued)

### 7 Related parties

Related parties include the shareholders, key management personnel, subsidiaries, associates, joint ventures and any businesses which are controlled directly or indirectly by the Company or over which they exercise significant management influence. The balances due from / to such parties, which have been disclosed separately in the financial statements, are unsecured, interest free and are repayable on demand.

Related party balances are as under:

	31/03/2019 AED
<b>Payables:</b>	
3i Infotech Middle East FZ LLC	598,967
3i Infotech Middle East (MEA)	304,385
	<u>903,352</u>

### 8 Bank balances and cash

	31/03/2019 AED
Cash in hand	2,286
Bank current accounts	100,088
Fixed deposits with banks	699,108
	<u>801,482</u>

The carrying amount of these assets approximates to their fair value. Bank current account balances were verified based on bank statements only.

### 9 Accruals and other payables

	31/03/2019 AED
Accrued expenses	39,657
	<u>39,657</u>

The Company has financial risk management policies in place to ensure that payables are paid within the credit time frame.





### 3I INFOTECH SOFTWARE SOLUTIONS L.L.C, DUBAI

#### Notes to the financial statements for the period ended March 31, 2019 (Continued)

#### 10 Share capital

	31/03/2019
	AED
Authorised, issued and paid up capital: 300 shares of AED 1,000 each	<u>300,000</u>

Name of shareholders	No. of shares	AED
Al Muftah Commercial Brokerage	153	153,000
3i Infotech Holdings Private Limited	147	147,000
	<u>300</u>	<u>300,000</u>

#### 11 Statutory reserve

Statutory reserve is created by the Company by allocating 10 percent of its net profit for the period in accordance with Article 103 of the UAE Commercial Companies Federal Law No. 2 of 2015. The statutory reserve is not available for distribution except as provided in the law.

#### 12 Administrative and general expenses

	15/05/2018
	to
	31/03/2019
	AED
Rent and license fees	62,489
Communications and utilities	1,432
Legal and professional fees	158,116
Brokerage fees	7,387
Travelling and conveyance	16,440
Repairs and maintenance	2,320
Bank charges	11,091
Office expenses	212
	<u>259,487</u>





### 13 Financial instruments - risk management

#### Capital risk management

The company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the company monitors capital on the basis of the debt equity ratio. This ratio is calculated as net debt divided by total capital. The capital structure of the company comprises of equity funds as presented in the statement of financial position together with shareholders current accounts. Debt comprises of total amounts payable to third parties net of cash and cash equivalents.

#### Financial risk factors

The Company's use of financial instruments exposes it to a variety of financial risks such as credit risk, market risk, liquidity risk and political risk. The company continuously reviews its risk exposures and takes measures to limit it to acceptable levels. Risk management is carried out by the finance department under policies approved by the Board of Directors. Finance department identifies and evaluates financial risks in close co-operation with the company's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity. The significant risks that the company is exposed to are discussed below:

#### a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

#### b. Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation causing the other party to incur a financial loss. Financial assets, which potentially subject the company to credit risk, consist principally of fixed and short notice bank deposits and receivables due from related parties. The company manages this risk by placing fixed and short term bank deposits with high credit rating financial institutions. Credit risk with respect to receivables is limited due to dispersion across large number of customers.

Trade and other receivables are stated net of the allowance for doubtful receivables. There are no significant concentrations of credit risks to debtors outside the UAE.

As part of company's credit risk management where it is considered necessary, such receivables are covered by letters of credit in favor of the company, issued by high credit quality financial institutions.



**13 Financial instruments - risk management (Continued)**

**c. Liquidity risk**

Liquidity risk is the risk that the company may not be able to meet its funding requirements. Liquidity risk management includes maintaining sufficient cash, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. The company maintains flexibility in funding by maintaining availability under committed credit lines.

**d. Market risk management**

The Company is primarily exposed to the financial risks of changes in foreign currency exchange rates (currency risk) and market prices (other price risk).

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices whether those changes are caused by factors specific to the individual financial instrument or the Company, or factors affecting all similar financial instruments traded in the market.

**14 Fair value**

The fair value of a particular asset or liability is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair values of the financial assets and liabilities approximate their carrying amounts as reflected in these financial statements.

**15 Contingencies and commitments**

As at the end of the reporting period following contingent liabilities were outstanding :

	<b>31/03/2019</b>
	<b>AED</b>
Performance guarantees	<b>648,378</b>
	<b>648,378</b>

**16 Comparative figures**

These are the first financial statements after commencement, therefore there are no comparative figures to disclose.



3I INFOTECH SOFTWARE SOLUTIONS L.L.C, DUBAI

Notes to the financial statements for the period ended March 31, 2019 (Continued)

Schedule of property and equipment

	Office equipments AED	Total AED
<b>Cost</b>		
Additions	1,038	1,038
At March 31, 2019	<u>1,038</u>	<u>1,038</u>
<b>Depreciation</b>		
Charge for the period	36	36
At March 31, 2019	<u>36</u>	<u>36</u>
<b>Net Book Value</b>		
At March 31, 2019	<u>1,002</u>	<u>1,002</u>

