Hoda Vasi
Chowdhury & Co

To
The Shareholders
OnMobile Bangladesh Technologies
Private Limited
Baliaaaree (4th Floor),
Plot # 30, Road # 130,
South Avenue, Gulshan-1
Dhaka-1212

Audited Financial Statements

Of

OnMobile Bangladesh Technologies Private Limited

For the year ended 31 March 2021

Conducted By:

Hoda Vasi Chowdhury & Co
Chartered Accountants
BTMC Bhaban Level - 8
7-9 Karwan Bazar, Dhaka-1215

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of OnMobile Bangladesh Technologies Private Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of OnMobile Bangladesh Technologies Private Limited (the Company), which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

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 ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the director's reports, management discussion and analysis, statement of corporate governance, financial highlights, economic value-added statement (EVA), and value added statement and certification on corporate governance but doesn't include the financial statements and our auditor's report. The director's reports, management discussion and analysis, statement of corporate governance, financial highlights, economic value added (EVA) statement, value added statement and certification on corporate governance are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of management and those charged with governance for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRSs) 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 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 the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance 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

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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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism 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.

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.

Report on other legal and regulatory requirements

We also report that:

a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received by us; and

c) the Company's statement of financial position and statement of comprehensive income together with notes thereto dealt with by the report are in agreement with the books of account and returns.

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Dhaka, 28 June 2021
DVC: 2107180450AS879836

Hoda Vasi Chowdhury & Co
Chartered Accountants
Signed by:
M Munjurul Hassan, FCA
Senior Partner
Enrolment No. 0450

OnMobile Bangladesh Technologies Private Limited
Statement of Financial Position
As at 31 March 2021

	Notes	2021 BDT	2020 BDT
ASSETS			
Non-current assets			
Deferred tax asset		-	95,816
		-	**95,816**
Current assets			
Advance, deposit and prepayments	4	162,124	8,690
Cash and cash equivalents	5	2,141,954	94,006
		2,304,078	102,696
TOTAL ASSETS		**2,304,078**	**198,512**
EQUITY AND LIABILITIES			
Equity			
Share capital	6	100,000	100,000
Retained earnings	7	307,467	(177,945)
Total equity		**407,467**	**(77,945)**
Current liabilities			
Accured and other liabilities	8	1,748,570	276,457
Provisions for taxation	9	148,041	-
Total current liabilities		1,896,611	276,457
TOTAL EQUITY AND LIABILITIES		**2,304,078**	**198,512**

These financial statements should be read in conjunction with the annexed notes

Director **Director**

Auditors' Report to the Shareholders
See annexed report of date

HODA VASI CHOWDHURY & CO DHAKA

Dhaka, 28 JUN 2021

DVC: 2107180450AS879836

Hoda Vasi Chowdhury & Co
Chartered Accountants
Signed by:
M Munjurul Hassan, FCA
Senior Partner
Enrolment No. 0450

OnMobile Bangladesh Technologies Private Limited
Statement of Comprehensive Income
For the year ended 31 March 2021

	Notes	2021 BDT	2020 BDT
Revenue	10	3,665,024	-
Cost of service	11	(1,176,985)	(6,400)
Gross profit		**2,488,039**	**(6,400)**
Operating and admin expenses			
Office rent		104,280	97,589
Legal and professional fee		100,277	85,277
Other operating expense	12	1,554,213	84,495
Total operating expenses		1,758,770	267,361
Operating Profit		**729,269**	**(273,761)**
Other income		-	-
Net profit / (loss) before tax		**729,269**	**(273,761)**
Income tax expense:			
Current year/period	9	148,041	-
Deferred tax (income)/expense		95,816	(95,816)
		243,857	(95,816)
Total comprehensive income/(expense) for the year/period		**485,412**	**(177,945)**

These Financial Statements should be read in conjunction with the annexed notes

Director **Director**

Auditors' Report
See annexed report of the date

Dhaka, 28 JUN 2021

DVC: 2107180450AS879836

Hoda Vasi Chowdhury & Co
Chartered Accountants
Signed by :
M Munjurul Hassan, FCA
Senior Partner
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OnMobile Bangladesh Technologies Private Limited
Statement of changes in equity
For the year ended 31 March 2021

(all amounts in Taka)

	Share Capital	Retained Earnings	Total
Opening as at 01 April 2019	-	-	-
Shares Issued During the period	100,000	-	100,000
Net profit after tax	-	(177,945)	(177,945)
Other comprehensive income	-	-	-
Balance as at 31 March 2020	**100,000**	**(177,945)**	**(77,945)**
Opening as at 01 April 2019	100,000	(177,945)	(77,945)
Net profit after tax	-	485,412	485,412
Other comprehensive income	-	-	-
Balance as at 31 March 2021	**100,000**	**307,467**	**407,467**

Director **Director**

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HVC
DHAKA

OnMobile Bangladesh Technologies Private Limited
Statement of Cash Flows
For the year ended 31 March 2021

	2021 BDT	2020 BDT
A. Cash flows from operating activities		
Net profit/(loss) before tax	729,269	(273,761)
Changes in working capital		
(Increase)/decrease in advance, deposit and prepayments	(153,434)	(8,690)
Increase/(decrease) in accrued and other liabilities	1,472,113	276,457
	1,318,679	267,767
Net cash flows from operating activities	**2,047,948**	**(5,994)**
B Cash flows from investing activities		
Net cash generated from financing activities	-	-
C Cash flows from financing activities		
Share capital increased	-	100,000
Net cash generated from financing activities	**-**	**100,000**
Net changes in cash and cash equivalents (A+B+C)	2,047,948	94,006
Opening cash and cash equivalents	94,006	-
Closing cash and cash equivalents	**2,141,954**	**94,006**

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Director

Director

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OnMobile Bangladesh Technologies Private Limited
Notes to the Financial Statements
For the year ended 31 March 2021

1. Corporate profile

1.1 Legal status

OnMobile Bangladesh Technologies Private Limited (the "Company") was incorporated in Bangladesh on 10 April 2019 bearing the registration No # C-151249/2019 as a private limited company under the Companies Act 1994.

1.2 Business activities

The activities of the Company is to provide, operate and manage value-added solutions for mobile operators/ networks by using a combination of its proprietary platform, various applications, services and content for the usage of mobile subscribers. The business targets at mobile subscribers with an increasing focus on capitalizing on the convergence between wireless and wireline telecommunications services, media, internet, mobile marketing and mobile commerce.

1.3 Management and corporate functions

OnMobile Bangladesh Technologies Private Limited receives some of the corporate functional services from its Holding Company in India, to achieve the economics of scale. These corporate functions include-strategy team cost, accounting and audit support, procurement services, general IT support, collection & receivables, legal and tax support. Full fledged administration and accounting functions are yet to be established in Bangladesh office. Therefore, certain required books & records including supporting evidences are kept by the holding compnay (India) and made available to the Bangladesh operations & concerned regulatory parties as and when required.

2. Basis of preparation of the Financial Statements

2.1 Statements of compliance

The financial statements have been prepared and presented under the historical cost convention in accordance with International Financial Reporting Standards (IFRS), the Companies Act 1994 and other applicable laws and regulations.

2.2 Functional and presentational currency and level of precision

The financial statements are prepared in Bangladesh Taka (Taka/Tk./BDT), which is the Company's functional and presentational currency, and have been rounded off to the nearest integer.

2.3 Use of estimates and judgment

The preparation of financial statements in conformity with IFRS require management to make judgments, estimates and assumptions that effect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual result may differ from these estimates. Estimates and underlying assumptions are reviewed on an on going basis. Revision of accounting estimates is recognized in the period in which the estimates are revised and in any future periods affected.

2.4 Reporting period

Financial statements of the Company cover consistently two calendar year from 1 April to 31 March.

3. Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

3.4 Cash and cash equivalents

These are cash and cash equivalents, which are held and available for use by the entity without any restriction.

3.5 Provisions, contingent liabilities and contingent assets

(a) Provision

A provision is recognized in the Statement of Financial Position when the Company has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(b) Contingencies:

(i) A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from the past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

(ii) A contingent asset is a possible asset that arises from the past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets or liabilities are not recognized in the statement of the financial position of the Company.

3.6 Income taxation

Income tax expenses comprises of both current tax and deferred tax. Income tax expense is recognized in the statement of comprehensive income.

3.6.1 Current tax

Provision for income tax is made on the basis of the current tax rate for the Company stipulated in the prevailing Finance Act. In accordance with Finance Act 2020, applicable tax rate for the Company is 32.5% on its profits or minimum tax @ 0.6% on its total receipts under section 82C of ITO 1984.

3.6.2 Deferred tax

Deferred tax has been recognized in accordance with the provision of IAS 12. It has been provided using the Balance Sheet liability method for all temporary differences arising between tax bases of assets and liabilities and their carrying value for financial reporting purpose. Adjustment arising from such accounting has been recorded in the current period's profit and loss account. The tax rate prevailing at the balance sheet date is used to determine deferred tax.

3.6.3 Transfer Pricing

On the enactment of the provision of Transfer Pricing (TP) system in Bangladesh from 01 July 2014 under the Income Tax Ordinance (ITO) 1984, the Company keeps necessary books and records for all of the International Transactions made by the Company with the associated enterprises, either or both of whom are non-residents. Moreover, in compliance with the said provisions, necessary reports and statements to be submitted to the respective authority (If reqired).

3.7 Foreign currency transactions

Transactions in foreign currencies during the year are translated into BDT at the foreign exchange rates prevailing on the date of the transaction. All monetary assets and liabilities denominated in foreign currencies at balance sheet date get retranslated into BDT at rates of exchange prevailing on the date, if any. Exchange difference arising on conversion is recognized in the Statement of Comprehensive Income.

3.8 Revenue recognition, measurement and presentation

Revenues are recognized when services rendered to the extent that it is probable that the economic benefits from the transactions will flow to the Company and the revenue can be measured reliably. Revenues are measured at the fair value of the consideration received or receivable, net of discounts and sales related taxes as are collected on behalf of the authorities.

In case of the Company, revenue is recognized in respect of providing Value Added Services (VAS) to the Telecom companies on completion of the stipulated terms and condition of the agreements with the said companies. Revenue including royalty fees, net of customer credits are recognized on provision of revenue sharing arrangements with the telecom operators.

3.10 General

Wherever considered necessary, figures and description of the line items of the prior year have been re-arranged for the sake of consistency and comparability.

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		2021 BDT	2020 BDT
4.	**Advance, deposit and prepayments**		
	Other advances	92,586	8,690
	Balance of input VAT	55,079	-
	Unbilled revenue	14,459	-
		162,124	**8,690**
5.	**Cash and cash equivalents**		
	Cash at bank:		
	Citibank_Bangladesh	2,141,954	94,006
		2,141,954	**94,006**
6.	**Share capital**		
	Authorized capital		
	50,000 Ordinary shares of Tk. 10 each	**500,000**	**500,000**
	Issued, subscribed and paid-up capital		
	10,000 Ordinary shares of Tk. 10 each	**100,000**	**100,000**

The composition of issued, subscribed and paid-up capital is as follows :

Name of shareholder	Nationality	Number of shares		Face Value	Share value	
		March'21	March'20		March'21	March'20
OnMobile Bangladesh Pvt. Ltd	Bangladeshi	7,000	7,000	10	70,000	70,000
Mohammad Abdul Khaleque	Bangladeshi	3,000	3,000	10	30,000	30,000
Total		**10,000**	**10,000**		**100,000**	**100,000**

		2021 BDT	2020 BDT
7.	**Retained earnings**		
	Opening	(177,945)	-
	Addition during the year/period	485,412	(177,945)
		307,467	**(177,945)**
8.	**Accrued and other liabilities**		
	Accrued expenses	1,176,987	10,689
	Withholding tax	23,500	-
	Withholding VAT	48,834	-
	Sales VAT (Output VAT)	159,871	-
	Advance receipt from clients	14,508	3,501
	Other expenses	-	6,677
	Provision for admin costs	324,870	255,590
		1,748,570	**276,457**
9.	**Provisions for taxation**		
	Opening balance	-	-
	Addition during the year	148,041	-
	Adjusted during the year	-	-
	Closing balance	**148,041**	-
10.	**Revenue**		
	Sales with invoice	3,650,565	-
	Unbilled sales	14,459	-
		3,665,024	-
11.	**Cost of service**		
	Content fees and royalty *(Note 11.1)*	1,176,985	-
	Cost of software development and other charges	-	6,400
		1,176,985	**6,400**

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	2021 BDT	2020 BDT
11.1 Content fees and royalty		
Content cost - revenue share	1,176,985	-
	1,176,985	**-**

Content Cost flat fees are the fixed amounts shared with Content Providers irrespective of revenue on fixed periodicity (e.g. monthly) as per stipulated in agreement of service entered.

	2021 BDT	2020 BDT
12. Other operating expense		
Remuneration to auditors	80,000	80,000
Rates & Taxes	5,635	-
Marketing expenses	1,307,558	3,000
Brokerage/Commission	158,680	-
Bank charges	2,340	1,495
	1,554,213	**84,495**

Director **Director**

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