

Virendra K Jain  
Certified Public Accountant

VERTOZ INC.  
CONSOLIDATED AUDITED FINANCIAL STATEMENTS  
MARCH 31, 2021

Virendra K Jain  
Certified Public Accountant

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Virendra K Jain  
Certified Public Accountant

**Independent Accountant's Report – Consolidated**

To the Shareholders and the Board of Directors of VERTOZ INC.,  
1250 Broadway, Suite 3611,  
New York, NY – 10001 USA

I have audited the accompanying Consolidated Financial Statements of VERTOZ INC. and its wholly owned subsidiaries ADNET HOLDINGS Inc., AD MOZART Inc., ADZURITE Inc., PUBNX Inc., ZKRAFT Inc. as of March 31, 2021 and the related statements of Income, shareholders equity, retained earnings and cash flow for the year then ended in accordance with standards established by the American Institute of Certified Public Accountants. These financial statements are the responsibility of the company's management. My responsibility is to express an opinion on these consolidated financial statements based on our audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

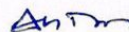
In my opinion, the Consolidated Financial Statements referred to above present fairly, in all material respect, the financial position of VERTOZ INC and it's all subsidiaries as of March 31, 2021, and the result of operations for the year ended March 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

For Virendra K Jain, CPA



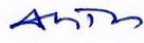
Virendra K Jain, CPA  
New York, NY  
License No. 093066  
Date: May 14, 2021

For Vertoz Inc



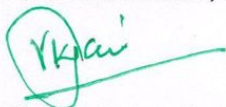
Ashish Shah  
Director – USA Operation

**VERTOZ INC. (CONSOLIDATED)**  
**STATEMENT OF INCOME**  
**FOR THE PERIOD ENDED MARCH 31, 2021**

|                                                                                     | <b>As of March 31,<br/>2021</b>                                                       |
|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| <b>Revenue</b>                                                                      |                                                                                       |
| Gross Sales                                                                         | \$ 4,657,821.00                                                                       |
| Misc Income                                                                         | \$ 9,814.00                                                                           |
| <b>Total Revenue</b>                                                                | <b>\$ 4,667,635.00</b>                                                                |
| <b>Gross Profit</b>                                                                 | <b>\$ 4,667,635.00</b>                                                                |
| <b>Operating Expenses</b>                                                           |                                                                                       |
| Direct Service Exp                                                                  | \$ 4,060,776.00                                                                       |
| Employment Benefit Cost                                                             | \$ 198,395.00                                                                         |
| Finance Cost                                                                        | \$ 28,586.00                                                                          |
| Other Expenses                                                                      | \$ 111,963.00                                                                         |
| Depreciation                                                                        | \$ 166,070.00                                                                         |
| <b>Total Operating Expenses</b>                                                     | <b>\$ 4,565,790.00</b>                                                                |
| <b>Income (Loss) Before Corporate Tax</b>                                           | <b>\$ 101,845.00</b>                                                                  |
| <b>Tax Provision</b>                                                                | <b>\$ 25,977.00</b>                                                                   |
| <b>Net Income (Loss)</b>                                                            | <b>\$ 75,868.00</b>                                                                   |
| <b>Net Income per common share</b>                                                  |                                                                                       |
| <i>Basic Net Income per common share attributable to Vertoz</i>                     | \$ 0.02                                                                               |
| <i>Diluted Net Income per common share attributable to Vertoz</i>                   | \$ 0.02                                                                               |
| <b>Weighted Average Common Shares</b>                                               |                                                                                       |
| <i>Basic</i>                                                                        | 3,199,844                                                                             |
| <i>Diluted</i>                                                                      | 3,199,844                                                                             |
| <b>Dividend Declared per share</b>                                                  | \$ -                                                                                  |
| <b>For Virendra K Jain, CPA</b>                                                     | <b>For Vertoz INC.</b>                                                                |
|  |  |
| <b>Virendra K Jain, CPA</b>                                                         | <b>Ashish Shah</b>                                                                    |
| <b>New York, NY</b>                                                                 | <b>Director</b>                                                                       |
| <b>License No. 093066</b>                                                           | <b>USA Operation</b>                                                                  |

Date: May 14, 2021

**VERTOZ INC. (CONSOLIDATED)**  
**BALANCE SHEET**  
**AS OF MARCH 31, 2021**

|                                                                                     | As of March 31,<br>2021                                                               |
|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| <b><u>ASSETS</u></b>                                                                |                                                                                       |
| <b><u>CURRENT ASSETS</u></b>                                                        |                                                                                       |
| Cash & Bank                                                                         | \$ 53,329.00                                                                          |
| Accounts Receivable                                                                 | \$ 1,676,892.00                                                                       |
| Loans & Advances                                                                    | \$ 5,153.00                                                                           |
| Prepaid Exp                                                                         | \$ -                                                                                  |
| <b>TOTAL CURRENT ASSETS</b>                                                         | <b>\$ 1,735,374.00</b>                                                                |
| <b><u>FIXED ASSETS</u></b>                                                          |                                                                                       |
| Gross Block                                                                         | \$ 7,046,830.00                                                                       |
| Less : Accumulated Depreciation                                                     | \$ -223,223.00                                                                        |
| <b>TOTAL FIXED ASSETS</b>                                                           | <b>\$ 6,823,607.00</b>                                                                |
| <b><u>INVESTMENTS</u></b>                                                           |                                                                                       |
| Adnet Holdings Inc., USA                                                            | \$ -                                                                                  |
| PubNX Inc., USA                                                                     | \$ -                                                                                  |
| Zkraft Inc., USA                                                                    | \$ -                                                                                  |
| Admozart Inc., USA                                                                  | \$ -                                                                                  |
| Adzurite Inc., USA                                                                  | \$ -                                                                                  |
| <b>TOTAL INVESTMENTS</b>                                                            | <b>\$ -</b>                                                                           |
| <b>SECURITY DEPOSITS</b>                                                            | <b>\$ 13,500.00</b>                                                                   |
| <b>TOTAL ASSETS</b>                                                                 | <b>\$ 8,572,481.00</b>                                                                |
| <b><u>LIABILITIES &amp; STOCK HOLDER'S EQUITY</u></b>                               |                                                                                       |
| <b><u>CURRENT LIABILITIES</u></b>                                                   |                                                                                       |
| Accounts Payable                                                                    | \$ 2,355,106.00                                                                       |
| Corporate Tax Payable                                                               | \$ 118,606.00                                                                         |
| Loans & Exchange                                                                    | \$ 389,967.00                                                                         |
| Other Current Liabilities                                                           | \$ 42,892.00                                                                          |
| Long Term Borrowings                                                                | \$ 2,090,527.00                                                                       |
| <b>TOTAL CURRENT LIABILITIES</b>                                                    | <b>\$ 4,997,098.00</b>                                                                |
| <b><u>STOCKHOLDER'S EQUITY</u></b>                                                  |                                                                                       |
| Capital Stock ( <i>Common Shares @ \$ 1 each</i> )                                  | \$ 3,199,844.00                                                                       |
| Retained Earnings                                                                   | \$ 375,539.00                                                                         |
| <b>TOTAL STOCKHOLDER'S EQUITY</b>                                                   | <b>\$ 3,575,383.00</b>                                                                |
| <b>TOTAL LIABILITIES &amp; STOCKHOLDER'S EQUITY</b>                                 | <b>\$ 8,572,481.00</b>                                                                |
| <br>                                                                                |                                                                                       |
| For Virendra K Jain, CPA                                                            | For Vertoz INC.                                                                       |
|  |  |
| Virendra K Jain, CPA                                                                | Ashish Shah                                                                           |
| New York, NY                                                                        | Director                                                                              |
| License No. 093066                                                                  | USA Operation                                                                         |

Date: May 14, 2021

**VERTOZ INC. (CONSOLIDATED)**  
**STATEMENT OF CASH FLOWS**  
**AS OF MARCH 31, 2021**

|                                                                                     | As of March 31,<br>2021                                                               |
|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| <b>A : Cash flows from operating activities:</b>                                    |                                                                                       |
| Profit before taxation                                                              | \$ 101,845.00                                                                         |
| Add: Non Operating Expense                                                          |                                                                                       |
| Depreciation                                                                        | \$ 166,070.00                                                                         |
| Finance Cost                                                                        | \$ 28,586.00                                                                          |
|                                                                                     | <u>\$ 194,656.00</u>                                                                  |
| Less: Non Operating Income                                                          |                                                                                       |
| Misc Income                                                                         | \$ 9,814.00                                                                           |
|                                                                                     | <u>\$ 9,814.00</u>                                                                    |
| Operating profit before working capital changes                                     | <u>\$ 286,687.00</u>                                                                  |
| Working Capital Changes:                                                            |                                                                                       |
| Decrease /(Increase) In Trade Receivables                                           | \$ -1,264,185.00                                                                      |
| Decrease/(Increase) in Loans & advances (Assets)(Long + Short Term)                 | \$ -4,687.00                                                                          |
| Increase /(Decrease) in Short & Long Term Liabilities                               | \$ -                                                                                  |
| Increase /(Decrease) in Trade Payables                                              | \$ 773,375.00                                                                         |
| Increase /(Decrease) in Other Current Liabilities                                   | \$ 42,892.00                                                                          |
| Increase /(Decrease) in Provisions                                                  | \$ 48,919.00                                                                          |
|                                                                                     | <u>\$ -403,686.00</u>                                                                 |
| Cash generated from operations                                                      | \$ -116,999.00                                                                        |
| Taxes Due                                                                           | \$ -25,977.00                                                                         |
| Net cash used in operating activities                                               | <u>\$ -142,976.00</u>                                                                 |
| <b>B : Cash flows from investing activities:</b>                                    |                                                                                       |
| Fixed Assets Purchased                                                              | \$ -                                                                                  |
| Interest on FDR                                                                     | \$ 9,814.00                                                                           |
| Capital Work in Process                                                             | \$ -                                                                                  |
| Net cash Generated from investing activities                                        | <u>\$ 9,814.00</u>                                                                    |
| <b>C : Cash flows from financing activities:</b>                                    |                                                                                       |
| Increase in borrowing                                                               | \$ 190,761.00                                                                         |
| Finance Cost                                                                        | \$ -28,586.00                                                                         |
| Net cash generated from financing activities                                        | <u>\$ 162,175.00</u>                                                                  |
| D : Net increase in cash and cash equivalents = (A+B+C)                             | <u>\$ 29,013.00</u>                                                                   |
| E : Cash and cash equivalents at beginning of period                                | \$ 24,315.00                                                                          |
| F: Cash and cash equivalents at end of period = (D+E)                               | <u>\$ 53,328.00</u>                                                                   |
| For Virendra K Jain, CPA                                                            | For Vertoz INC.                                                                       |
|  |  |
| Virendra K Jain, CPA                                                                | Ashish Shah                                                                           |
| New York, NY                                                                        | Director                                                                              |
| License No. 093066                                                                  | USA Operation                                                                         |

Date: May 14, 2021

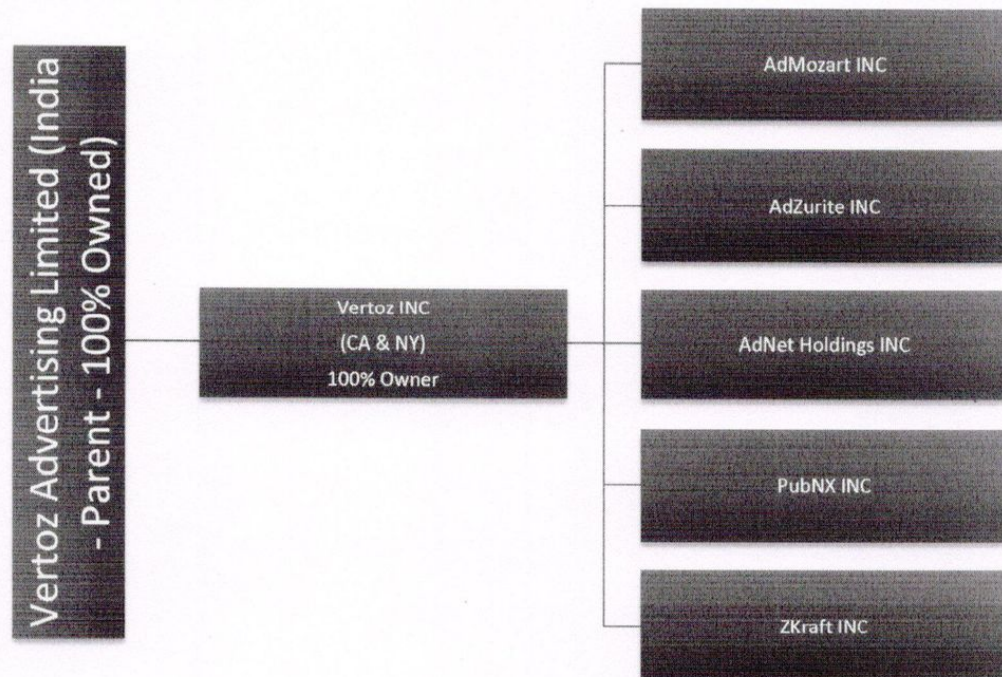
**VERTOZ INC. (CONSOLIDATED)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2021**

**Note 1      A summary of significant Accounting Policies**

**CORPORATION:**

The entity is C Corporation organized and incorporated under the laws of state of California (CA) and it is having its branch in New York (NY) USA. The Corporation is a wholly owned subsidiary of Vertoz Advertising Limited, a public limited company registered in India and listed on Indian Stock Exchange at National Stock Exchange of India.

Vertoz INC have five (5) wholly owned subsidiaries domestically in the state of New York (NY) USA. The legal structure of the Vertoz INC, USA as follows.



Vertoz's ingenious plex is an Artificial Intelligent (AI) fueled self-serve media buying platform, which helps advertisers to reach prospects digitally, by leveraging the power of programmatic advertising. Vertoz believes in solving every digital advertiser's biggest problem, reaching quality prospects to achieve great ROI and brand recall.

To facilitate this, Vertoz provide highly advanced and easy to use to digital advertising platform, which is highly scalable, Artificial Intelligent (AI) fueled, smart platform connects advertisers to a quality audience of leading publishers and digital platform, worldwide. Indeed, it connects advertisers to the right customers, at the right time.

Vertoz have created a transparent and brand safe advertising environment supported by real-time campaign updates. Vertoz's ingenious plex is one of the leading media buying platform. Vertoz INC hold the honour of being our parent entity is India's first public listed programmatic company.

#### **USE OF ESTIMATES IN FINANCIAL STATEMENTS PREPARATION:**

The preparation of Financial statements in conformity with accounting principal generally accepted in United State of America require the use of estimates and assumptions that affect the reported amounts of Assets & Liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. The company's financial statements include amounts that are based on management's best estimates and judgments.

#### **FIXED ASSETS**

Acquisition of equipment's, furniture and fixtures are capitalized in their respective accounts at cost. Ordinary maintenance and repair items are charged directly to expenses as incurred.

Depreciation is being provided based in the estimated useful life using straight line method.

#### **NOTE 2      Income:**

The Corporation recognizes revenue from service transactions at the time the service is performed. Generally, revenue from services is classified as a component of net sales in the Company's Statements of Income.

#### **NOTE 3      Corporate Tax:**

Income Tax Provisions are made as per Tax rules and current rates applicable in USA

**NOTE 4****Related Party Transactions:**

1. **Sales & Purchases:** The inter-company, intra-company and intra-group company sales and purchase transaction have been done at arm's length price only. Whereas there is same party sales and purchase (reciprocal) are there, the company reserve the right to off-set the same against each other and pay and/or receive net-off balance from respective party.

| <b>Company Name</b> | <b>Sales Transactions from Apr 1, 2020 to Mar 31, 2021</b> | <b>Outstanding as on Mar 31, 2021</b> | <b>Purchase Transactions from Apr 1, 2020 to Mar 31, 2021</b> | <b>Outstanding as on Mar 31, 2021</b> |
|---------------------|------------------------------------------------------------|---------------------------------------|---------------------------------------------------------------|---------------------------------------|
| AdMeridian Inc.     | \$540.98                                                   | <b>\$257.08</b>                       | \$219.34                                                      | <b>\$0.87</b>                         |
| Hueads Inc.         | \$489.39                                                   | <b>\$225.90</b>                       | \$223.38                                                      | <b>\$9.92</b>                         |
| Admida Inc.         | \$223.21                                                   | <b>\$52.79</b>                        | \$12.07                                                       | <b>(\$11.12)</b>                      |
| Vokut Inc.          | \$484.77                                                   | <b>\$217.19</b>                       | \$305.20                                                      | <b>\$0.00</b>                         |
| BoffoAds Inc.       | \$392.46                                                   | <b>\$137.86</b>                       | \$240.69                                                      | <b>\$0.00</b>                         |
| FlairAds Inc.       | \$437.04                                                   | <b>\$191.35</b>                       | \$226.33                                                      | <b>\$0.00</b>                         |
| AdCanny Inc.        | \$417.97                                                   | <b>\$123.89</b>                       | \$276.88                                                      | <b>\$0.23</b>                         |
| Adzesto Inc.        | \$414.89                                                   | <b>\$142.32</b>                       | \$245.41                                                      | <b>\$0.00</b>                         |
| Adokut Inc.         | \$484.43                                                   | <b>\$113.59</b>                       | \$272.64                                                      | <b>\$0.17</b>                         |
| Hashjini Inc        | \$9.50                                                     | <b>(\$2.70)</b>                       | \$0.00                                                        | <b>\$0.00</b>                         |
| OwnAdtech Inc       | \$0.00                                                     | <b>\$0.00</b>                         | \$5.00                                                        | <b>\$4.95</b>                         |
| Qualispace Inc.     | \$0.00                                                     | <b>\$0.00</b>                         | \$8.57                                                        | <b>\$37.89</b>                        |

**Assets – Technology Acquisition:** During the period under consideration the company have acquired technological platforms from another group entities and/or sister concerns with same promoters located in USA against the amount duly receivable from them at an arm's length price.

(000's)

| <b>Company Name</b> | <b>Transactions from Apr 1, 2020 to Mar 31, 2021</b> | <b>Outstanding as on Mar 31, 2021</b> |
|---------------------|------------------------------------------------------|---------------------------------------|
| AdMeridian Inc.     | \$0.00                                               | <b>\$0.00</b>                         |
| Hueads Inc.         | \$0.00                                               | <b>\$0.00</b>                         |
| Admida Inc.         | \$0.00                                               | <b>\$0.00</b>                         |
| Vokut Inc.          | \$0.00                                               | <b>\$0.00</b>                         |

3. **Managerial Remuneration:** The managerial remuneration paid to Mr. Ashish Shah, Whole-time Directors of the company and the same is much complied with US Employment Laws and regulations thereunder.

(000's)

| Particulars | Transactions from Apr 1, 2020 to Mar 31, 2021 | Outstanding as on Mar 31, 2021 |
|-------------|-----------------------------------------------|--------------------------------|
| Ashish Shah | \$ 75.00                                      | \$ 37.08                       |

4. **Directors Loan:** During the period under consideration the company have received and repaid the certain loans from its whole-time directors of the company. During this year, no loan has been converted into shares.

(000's)

| Particulars | Transactions from Apr 1, 2020 to Mar 31, 2021 | Outstanding as on Mar 31, 2021 |
|-------------|-----------------------------------------------|--------------------------------|
| Ashish Shah | \$ 59.34                                      | \$ 183.74                      |

5. **Loans & Advances (Assets):** These amounts are receivable from the inter-company's, intra-company's and intra-group companies against the premium inventory pre-bookings and the same will be realized within period of 24 months with a right to acquire the technology from such related parties.

(000's)

| Company Name      | Transactions from Apr 1, 2020 to Mar 31, 2021 | Outstanding as on Mar 31, 2021 |
|-------------------|-----------------------------------------------|--------------------------------|
| AdMeridian Inc.   | \$0.00                                        | (\$0.50)                       |
| Hueads Inc.       | \$0.00                                        | \$0.00                         |
| Admida Inc.       | \$00.00                                       | \$0.00                         |
| Vokut Inc.        | \$5.36                                        | \$0.00                         |
| Adokut Inc.       | \$3.19                                        | \$0.17                         |
| Qualispace Inc.   | (\$3.28)                                      | \$0.00                         |
| OwnRegistrar Inc. | \$0.82                                        | (\$7.90)                       |
| HashJini Inc.     | \$9.55                                        | \$0.05                         |
| PayExecute Inc.   | \$0.36                                        | \$1.58                         |

**NOTE 5      Subsequent Events:**

Management has evaluated subsequent events or transactions occurring through June 15, 2021, the date the financial statements were available to be issued and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to financial statements.

**NOTE 6      Commitments and Contingencies:**

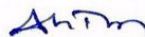
During the period under consideration, there are no commitments and contingencies reportable under this section.

For Virendra K Jain, CPA



Virendra K Jain, CPA  
New York, NY  
License No. 093066  
Date: May 14, 2021

For Vertoz Inc



Ashish Shah  
Director – USA Operation