

INTERNATIONAL EXPRESSIONS INC

FINANCIAL STATEMENTS

March 31, 2016

RAM ASSOCIATES, CPAS

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INTERNATIONAL EXPRESSIONS INC

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors and Stockholders
International Expressions Inc.
Delaware.

We have audited the accompanying balance sheet of International Expressions Inc. as of March 31, 2016 and the related statements of income, retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our 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 disclosures in the financial statements. 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 our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of International Expressions Inc. as of March 31, 2016 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

RAM ASSOCIATES
Hamilton, NJ
May 15, 2016

INTERNATIONAL EXPRESSIONS INC

Balance Sheet

March 31, 2016

	USD
ASSETS	
Current Assets	
Cash	\$ 6,42,097
Accounts receivable	\$ 50,19,557
Other current assets	\$ 85,18,255
Total Current Assets	\$ 1,41,79,908
Fixed assets, net	\$ 7,90,050
Intangible asset	\$ 79,23,727
Non-current investments	\$ 48,24,620
Capital Work in Progress	\$ 41,24,560
Intangible asset under development	\$ 20,74,200
Long term loans and advances	\$ 1,72,06,417
Total Assets	\$ 5,11,23,483

LIABILITIES AND STOCKHOLDER'S EQUITY

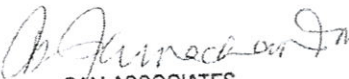
Current Liabilities :

Account Payables	\$ 5,27,146
Other Current Liabilites	\$ 16,54,264
Total Current Liabilities	\$ 21,81,410

Stockholder's Equity

Common stock, no par value, 1,500 authorized shares, issued and outstanding	\$ 20,000
Additional paid-in capital	\$ 2,01,67,000
Retained earnings	\$ 2,87,55,073
Total Stockholder's Equity	\$ 4,89,42,073

Total Liabilities and Stockholder's Equity	\$ 5,11,23,483
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- See accompanying notes to financial statements-

INTERNATIONAL EXPRESSIONS INC

Statement of Income

For the Year Ended March 31, 2016

	USD
Revenues	\$ 1,34,65,036
Cost of revenue	\$ 52,57,713
Gross profit	\$ 82,07,323
Operating expenses	
General and administration expenses	\$ 10,85,706
Income before depreciation, amortization and income taxes	\$ 71,21,617
Interest expenses	\$ -
Depreciation & Amortization expenses	\$ 16,46,402
Income before provision for Income taxes	\$ 54,75,215
Income tax	\$ 21,90,086
Net income	\$ 32,85,129



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INTERNATIONAL EXPRESSIONS INC

Statement of Changes in Stockholder's Equity

For the Year Ended March 31, 2016

	Common stock		Additional paid-in capital	Retained earnings	Total stockholders' equity
	Number of shares	Amount USD			
Balance at March 31, 2015	1500	\$ 20,000	\$ 2,01,67,000	\$ 2,54,69,944	\$ 4,56,56,944
Net income				\$ 32,85,129	\$ 32,85,129
Additional paid-in capital				-	-
Fixed Asset transfer to reserve					
Balance at March 31, 2016	<u>1,500</u>	<u>\$ 20,000</u>	<u>\$ 2,01,67,000</u>	<u>\$ 2,87,55,073</u>	<u>\$ 4,89,42,073</u>

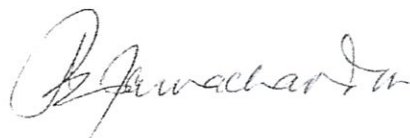
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INTERNATIONAL EXPRESSIONS INC

Statement of Cash Flows

For the Year Ended March 31, 2016

	USD
Cash flows from operating activities	
Net income	\$ 54,75,215
Adjustments to reconcile net income to net cash	
Used by operating activities:	
Depreciation & Amortization expenses	\$ 16,46,402
Changes in assets and liabilities:	
(Increase)/decrease in:	
Accounts receivable	\$ 18,20,211
Other assets	\$ 38,87,894
Increase/(decrease) in:	
Other current liabilities	\$ (26,99,344)
Accounts payable and accrued expenses	\$ (3,42,465)
Net cash used for operating activities	<u>\$ 97,87,914</u>
Cash flows from Investing activities	
Purchase of equipment	\$ (2,65,000)
Decrease/(Increase) in Product development	\$ (20,74,200)
Decrease/(Increase) in Non-current investments	\$ (48,24,620)
Decrease/(Increase) in Capital work in progress	\$ (41,24,560)
Net cash used for Investing activities	<u>\$ (1,12,88,380)</u>
Cash flows from financing activities	
(Decrease)/Increase in Reserves	\$ -
Increase in additional paid-in capital	\$ -
Increase/(Decrease) in Other Long term Liabilities	\$ -
Increase/(Decrease) in Long term loans and advances	\$ 14,70,858
Increase/(Decrease) in Other Non - Current Assets	
Net cash provided by financing activities	<u>\$ 14,70,858</u>
Net increase in cash	\$ (29,609)
Cash at the beginning of the year	\$ 6,71,705
Cash at the end of the year	<u><u>\$ 6,42,096</u></u>



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General and administration expenses

Particulars	Amount in \$
Salaries and wages	4,18,317
Power & Fuel	30,202
Rent	1,16,197
Telephone, Postage and Others	19,984
Business Promotion Expenses	1,99,955
Travelling and Conveyance	36,288
Office Maintenance	16,992
Printing & Stationery Expenses	9,065
Consultancy Charges & Commission	52,030
Sales and Marketing Expenses	1,73,534
Books and Subscriptions	4,493
Other Administrative Expenses	8,648
Bank Charges	
Total	10,85,706

International Expressions Inc.

Notes to Financial Statements

For the year ended March 31, 2016

1. Nature of Business

International Expressions Inc is into e-marketing industry. They provide a wide range of eMarketing products and services that enable advertisers, agencies and publishers to cost-effectively reach, recruit, and retain consumers online. International Expressions Inc. achieves high performance by providing marketers with the most cost-effective methods that consistently produce measurable results. International Expressions Inc. is a corporation registered on 10th November, 2005 in the State of Delaware.

2. Summary of Significant Accounting Policies

a) Accounting Policies

These financial statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP); consequently, revenue is recognized when services are rendered and expenses reflected when costs are incurred.

b) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and use assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are often based on judgments, probabilities and assumptions that management believes are reasonable but that are inherently uncertain and unpredictable. As a result, actual result could differ from those estimates.

Management periodically evaluates estimates used in the preparation of the financial statements for continued reasonableness. Appropriate adjustment, if any, to the estimates used are made prospectively based on such periodic evaluations.

International Expressions Inc.

Notes to Financial Statements

For the year ended March 31, 2016

c) Accounts Receivables

International Expressions, Inc determines the allowance for doubtful accounts based on assessed customers' ability to pay, historically write-off experience, and economic trends. Such allowance for doubtful accounts is the company's best estimate of the amount of probable credit losses in the company's existing accounts receivable.

d) Revenue Recognition

The Company recognizes revenue on time-and-materials contracts as the services are performed for clients. Revenues on fixed-price contracts are recognized using the percentage of completion method. Percentage of completion is determined by relating the actual cost of work performed to date to the estimated total cost for each contract. If the estimate indicates a loss on a particular contract, a provision is made for the entire estimated loss without reference to the percentage of completion.

3. Property and Equipment

Property and equipment is stated at cost. The Company provides for depreciation of property and equipment using the straight-line method over the estimated useful lives of the related assets for 3- 8 years.

At March 31, 2016 the property and equipment consisted of the following:

Particulars	Amount in USD
Computers Equipment's	6,029,626
Furniture and Fixtures	257,022
Intangible assets	11,049,354
Less : Accumulated Depreciation	8,622,224
Net Assets	8,713,778

The company charges repairs and maintenance costs that do not extend the lives of the assets to expenses as incurred.

International Expressions Inc.

Notes to Financial Statements

For the year ended March 31, 2016


4. Commitments

The company leases office space in Delaware under non-cancelable operating lease agreement. The following is a schedule of future minimum lease payments required under the lease:

Particulars	Amount in USD
March 31, 2017	\$ 116,197
Total	\$ 116,197

5. Others

Previous year figures have been regrouped or reclassified wherever necessary.


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