

INTERNATIONAL EXPRESSIONS INC

FINANCIAL STATEMENTS

March 31, 2020

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, 2020 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, 2020 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.

A handwritten signature in black ink, appearing to read 'P. Kram'.

RAM ASSOCIATES
Hamilton, NJ
May 19, 2020

INTERNATIONAL EXPRESSIONS INC

Balance Sheet

As on 3/31/2020

USD

ASSETS

Current Assets

Cash	\$	955,878
Accounts receivable	\$	5,580,825
Other current assets	\$	8,858,760

Total Current Assets **\$ 15,395,463**

Fixed assets, net \$ 987,802

Capital Work in Progress \$ 2,487,334

Other intangible assets \$ 14,066,033

Intangible assets under development \$ 2,861,201

- Investments \$ 7,889,850

- Loans \$ 7,196,595

Deferred tax assets (net) \$ 20,446

Total Assets **\$ 50,904,724**

LIABILITIES AND STOCKHOLDER'S EQUITY

Current Liabilities :

Account Payables \$ 265,520

Other Current Liabilities \$ 147,386

Provisions \$ 324,161

Total Current Liabilities **\$ 737,067**

Stockholder's Equity

Common stock, no par value, 1,500 authorized shares,
issued and outstanding \$ 20,000

Additional paid-in capital \$ 20,167,000

Retained earnings \$ 29,980,657

Total Stockholder's Equity **\$ 50,167,657**

Total Liabilities and Stockholder's Equity **\$ 50,904,724**


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INTERNATIONAL EXPRESSIONS INC

Statement of Income

For the Year Ended March 31, 2020

	USD
Revenues	\$ 16,296,010
Cost of revenue	\$ 6,515,610
Gross profit	<u>\$ 9,780,400</u>
Operating expenses	
General and administration expenses	\$ 1,341,891
Income before depreciation, amortization and income taxes	<u>\$ 8,438,510</u>
Interest expenses	\$ -
Depreciation&Amortization expenses	\$ 5,013,955
Income before provision for Income taxes	<u>\$ 3,424,555</u>
Income tax	\$ 1,017,093
Deferred tax	\$ (18,437)
Net income	<u>\$ 2,425,899</u>
Other comprehensive income	\$ (8,434)
Impaired during the year	<u>\$ (10,076,815)</u>
Total comprehensive income for the period	<u><u>\$ (7,659,350)</u></u>


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- See accompanying notes to financial statements-

INTERNATIONAL EXPRESSIONS INC

Statement of Changes in Stockholder's Equity

For the Year Ended March 31, 2020

	Common stock				
	Number of shares	Amount USD	Additional paid-in capital USD	Retained earnings USD	Total stockholders' equity USD
Balance at March 31, 2019	1500	\$ 20,000	\$ 20,167,000	\$ 37,640,007	\$ 57,827,007
Net income				\$ (7,659,350)	\$ (7,659,350)
Additional paid-in capital				-	-
Balance at March 31, 2020	1,500	\$ 20,000	\$ 20,167,000	\$ 29,980,657	\$ 50,167,657


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INTERNATIONAL EXPRESSIONS INC
Statement of Cash Flows
For the Year Ended March 31, 2020

	USD
Cash flows from operating activities	
Net income	\$ (7,659,350)
Adjustments to reconcile net income to net cash Used by operating activities:	
Depreciation & Amortization	\$ 5,013,955
Provision for Impairment of Debtors	\$ 50,080
Changes in assets and liabilities:	
(Increase)/decrease in:	
Accounts receivable	\$ (639,907)
Other assets	\$ (796,645)
Increase/(decrease) in:	
Other current liabilities	\$ 11,213
Accounts payable and accrued expenses	\$ 3,003
Provisions	\$ (368,828)
Net cash used for operating activities	<u>\$ (4,386,480)</u>
Cash flows from Investing activities	
Purchase of equipment	\$ (88,520)
Decrease/(Increase) in Intangible assets under development	\$ (2,861,201)
Decrease/(Increase) in Investments	\$ -
Decrease/(Increase) in Capital work in progress	\$ (2,487,334)
Net cash used for Investing activities	<u>\$ (5,437,055)</u>
Cash flows from financing activities	
(Decrease)/Increase in long term loans	\$ 10,009,822
Decrease/(Increase) in Deferred tax assets (net)	\$ (18,437)
Net cash provided by financing activities	<u>\$ 9,991,385</u>
Net increase in cash	\$ 167,850
Cash at the beginning of the year	\$ 788,028
Cash at the end of the year	<u><u>\$ 955,878</u></u>


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INTERNATIONAL EXPRESSIONS INC
Supplementary schedule
For The Year Ended March 31, 2020

<u>General & Administration</u>	USD
Salaries and Wages	\$ 592,725
Power	\$ 44,526
Rent, Rates and Taxes	\$ 137,580
Telephone & Bandwidth Expenses	\$ 38,971
Sales and Marketing Expenses	\$ 185,131
Provision for Impairment of Debtors	\$ 50,080
Other Expenses	\$ 9,090
Travelling and Conveyance	\$ 35,702
Office Maintenance	\$ 39,326
Printing & Stationery Expenses	\$ 21,841
Books & Subscriptions	\$ 11,546
Consultancy Charges	\$ 49,001
Business Promotion Expenses	\$ 126,372
Total	\$ 1,341,891

'-See accompaynig notes to financial statements

International Expressions Inc.

Notes to Financial Statements

For the year ended March 31, 2020

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 16th 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, 2020

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 5 years.

At March 31, 2020 the property and equipment consisted of the following:

Computer Equipments	70,56,536
Furniture and Fixtures	5,30,372
Total	75,86,908
Less : Accumulated Depreciation	65,99,106
Net Assets	9,87,802

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, 2020

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:

For the year ending,

Particulars	Amount in USD
March 31, 2021	1,37,580
Total	1,37,580

5. During the year the management has decided to impaired the assets, The following products(SageMail, Oralite, Data Combine) like have been identified as ones which are risky to continue in view of the imposition of the new law GDPR. Hence it is recommended we discontinue using them and do the impairment of the said assets from the balance sheet:

Particulars	Amount in \$
Long term loans and advances	\$ 32,23,026
Short term loans and advances	\$ 40,03,843
Other current assets	\$ 28,49,946
Total	\$ 1,00,76,815

6. Others

Previous year figures have been regrouped or reclassified wherever necessary.


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