

**Kiddopia Inc.**  
**Standalone Balance Sheet as at 31 March 2022**  
(Amounts are stated in \$ unless otherwise stated)

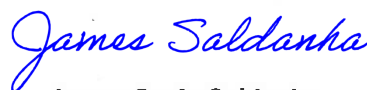
Particular	Notes	As at 31 March 2022	As at 31 March 2021
<b>Assets</b>			
<b>Current assets</b>			
Financial assets			
Cash and cash equivalents	1	\$ 4,080,318	\$ 176,295
Other current financial assets	2	\$ 1,920,678	\$ 157,173
Deferred expenditure	3	\$ 815,998	\$ 54,977
Other current assets	4	\$ 70,338	\$ 35,466
<b>Total current assets</b>		<b>\$ 6,887,332</b>	<b>\$ 423,911</b>
<b>Total assets</b>		<b>\$ 6,887,332</b>	<b>\$ 423,911</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity share capital	5	\$ 100	\$ 100
Other equity	6	\$ 1,449,133	\$ 79,907
<b>Total equity</b>		<b>\$ 1,449,233</b>	<b>\$ 80,007</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Trade payables			
- Related party transactions (refer note no.16)		\$ 552,958	\$ 116,692
- Others		\$ 349,983	\$ 1,540
Other financial liabilities		\$ 565,000	\$ -
Unearned and deferred revenue	7	\$ 3,672,152	\$ 205,819
Provision for right to return		\$ 206,180	\$ -
Other current liabilities	8	\$ 91,827	\$ 19,853
<b>Total current liabilities</b>		<b>\$ 5,438,099</b>	<b>\$ 343,904</b>
<b>Total equity and liabilities</b>		<b>\$ 6,887,332</b>	<b>\$ 423,911</b>

For and on behalf of the Board of Directors  
Kiddopia Inc.



**Anupam Dhanuka**  
Director

Date : 12 May 2022



**James Savio Saldanha**  
Director

Date : 12 May 2022

**Kiddopia Inc.**

**Standalone Statement of Profit and Loss for the year ended 31 March 2022**

(Amounts are stated in \$ unless otherwise stated)

<b>Particular</b>	<b>Notes</b>	<b>Year ended 31 March 2022</b>	<b>Year ended 31 March 2021</b>
Revenue from operations	9	\$ 16,096,207	\$ 1,794,203
<b>Total income</b>		<b>\$ 16,096,207</b>	<b>\$ 1,794,203</b>
<b>Expenses</b>			
Purchase of stock in trade		\$ 32,980	\$ -
Change in inventories		\$ -32,980	\$ -
Selling and distribution		\$ 3,807,755	\$ 400,323
Marketing expenses	10	\$ 7,261,307	\$ 232,056
Others	11	\$ 3,293,947	\$ 1,072,114
<b>Total expenses</b>		<b>\$ 14,363,009</b>	<b>\$ 1,704,493</b>
<b>Total profit before tax</b>		<b>\$ 1,733,197</b>	<b>\$ 89,710</b>
<b>Tax expense</b>			
Current tax	15	\$ 363,971	\$ 18,839
<b>Total tax expense</b>		<b>\$ 363,971</b>	<b>\$ 18,839</b>
<b>Total profit after tax</b>		<b>\$ 1,369,226</b>	<b>\$ 70,871</b>
<b>Earning per equity share:</b>			
Basic and diluted		\$ 1,369.23	\$ 70.87
Face value per share		\$ 0.01	\$ 0.01

For and on behalf of the Board of Directors  
Kiddopia Inc.



**Anupam Dhanuka**  
Director

Date : 12 May 2022



**James Savio Saldanha**  
Director

Date : 12 May 2022

Kiddopia Inc.

**Standalone Statement of Cash Flows for the year ended 31 March 2022**

(Amounts are stated in \$ unless otherwise stated)

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
<b>A. Cash flow from operating activities</b>		
Profit after taxation	\$ 1,369,226	\$ 70,871
<u>Adjustments for:</u>		
Provision for tax	\$ 363,971	\$ 18,839
<b>Operating profit</b>	<b>\$ 1,733,197</b>	<b>\$ 89,710</b>
<b>Adjustment for working capital changes:</b>		
(Increase)/decrease in other current financial assets	\$ -1,763,505	\$ -105,630
(Increase)/decrease in other current assets	\$ -23,720	\$ -78,399
Increase/(decrease) in unearned and deferred revenue	\$ 3,466,333	\$ 164,543
Increase/(decrease) in provision	\$ 206,180	\$ -
Increase/(decrease) in other current liabilities	\$ 72,376	\$ 19,451
Increase/(decrease) in other current financial Liabilities	\$ 565,000	\$ -56,361
<b>Cash generated / (used in) operations</b>	<b>\$ 4,255,861</b>	<b>\$ 33,313</b>
Income tax paid (net)	\$ -375,526	\$ -20,839
<b>Net cash generated / (used in) operating activities</b>	<b>\$ 3,880,335</b>	<b>\$ 12,474</b>
<b>B. Cash flow from investing activities</b>	\$ -	\$ -
<b>C. Cash flow from financing activities</b>	\$ -	\$ -
<b>Net Decrease in cash and cash equivalents during the period (A+B+C)</b>	<b>\$ 3,880,335</b>	<b>\$ 12,474</b>
<b>Opening balance of cash and cash equivalents</b>		
In bank accounts	\$ 176,295	\$ 163,821
<b>Cash and cash equivalents as at beginning of the year</b>	<b>\$ 176,295</b>	<b>\$ 163,821</b>
<b>Closing balance of cash and cash equivalents</b>		
In bank accounts	\$ 4,080,318	\$ 176,295
<b>Cash and cash equivalents as at end of the year</b>	<b>\$ 4,080,318</b>	<b>\$ 176,295</b>

For and on behalf of the Board of Directors  
Kiddopia Inc.



Anupam Dhanuka  
Director

Date : 12 May 2022



James Savio Saldanha  
Director

Date : 12 May 2022

Kiddopia Inc.

**Standalone Statement of Changes in Equity for the year ended 31 March 2022**

(Amounts are stated in \$ unless otherwise stated)

**A. Equity share capital**

	Number of shares	(In USD)
Issued, subscribed and paid up		
<b>Balance as at 1 April 2021</b>	1,000	\$ 100
Changes in equity share capital	-	-
<b>Balance as at 31 March 2022</b>	1,000	\$ 100

**B. Other equity**

	Profit in Statement of Profit and Loss
<b>Balance as at 1 April 2021</b>	\$ 79,907
Profit for the year	\$ 1,369,226
<b>Balance as at 31 March 2022</b>	\$ 1,449,133

For and on behalf of the Board of Directors  
Kiddopia Inc.



**Anupam Dhanuka**  
Director

Date : 12 May 2022



**James Savio Saldanha**  
Director

Date : 12 May 2022

**Kiddopia Inc.****Other explanatory information to the standalone financial statements**

(Amounts are stated in \$ unless otherwise stated)

**1 Cash and cash equivalents**

	As at 31 March 2022	As at 31 March 2021
Balances in bank account	\$ 4,080,318	\$ 176,295
<b>Total</b>	<b>\$ 4,080,318</b>	<b>\$ 176,295</b>

**2 Other current financial assets**

	As at 31 March 2022	As at 31 March 2021
Trade receivables	\$ 1,920,678	\$ 157,173
<b>Total</b>	<b>\$ 1,920,678</b>	<b>\$ 157,173</b>

**3 Deferred expenditure from selling and distribution**

	As at 31 March 2022	As at 31 March 2021
Apple Inc	\$ 785,054	\$ -
Google LLC	\$ 30,944	\$ 54,977
<b>Total</b>	<b>\$ 815,998</b>	<b>\$ 54,977</b>

**4 Other current assets**

	As at 31 March 2022	As at 31 March 2021
Advance tax (net of Provision)	\$ 11,153	\$ -
Prepaid expenses	\$ 25,798	\$ 35,466
Stock in trade	\$ 33,013	\$ -
Other current assets	\$ 374	\$ -
<b>Total</b>	<b>\$ 70,338</b>	<b>\$ 35,466</b>

**Kiddopia Inc.**

**Other explanatory information to the standalone financial statements**

(Amounts are stated in \$ unless otherwise stated)

**5 Equity share capital**

	<b>As at</b>		<b>As at</b>
	<b>31 March 2022</b>		<b>31 March 2021</b>
<b>Authorised share capital</b>			
1000 equity shares of \$ 0.10 each	\$ 100	\$	100
<b>Issued, subscribed and fully paid up</b>			
1000 equity shares of \$ 0.10 each	\$ 100	\$	100
<b>Total</b>	<b>\$ 100</b>	<b>\$</b>	<b>100</b>

**Kiddopia Inc.**

**Other explanatory information to the standalone financial statements**

(Amounts are stated in \$ unless otherwise stated)

**6 Other equity**

	As at 31 March 2022	As at 31 March 2021
Profit in statement of profit and loss for year	\$ 1,449,133	\$ 79,907
<b>Total</b>	<b>\$ 1,449,133</b>	<b>\$ 79,907</b>

**7 Deferred revenue from subscription sales**

	As at 31 March 2022	As at 31 March 2021
Apple Inc.	\$ 3,448,096	\$ -
Google LLC	\$ 190,636	\$ 193,731
Stripe	\$ 33,420	\$ 12,088
<b>Total</b>	<b>\$ 3,672,152</b>	<b>\$ 205,819</b>

**8 Other current tax liabilities**

	As at 31 March 2022	As at 31 March 2021
Income tax provision	\$ -	\$ 402
State tax payable	\$ 635	\$ -
Withholding tax payable for license fees	\$ 91,192	\$ 19,451
<b>Total</b>	<b>\$ 91,827</b>	<b>\$ 19,853</b>

**Kiddopia Inc.****Other explanatory information to the standalone financial statements**

(Amounts are stated in \$ unless otherwise stated)

**9 Revenue from operations**

	Year ended 31 March 2022	Year ended 31 March 2021
Subscription and In-app sales	\$ 15,563,128	\$ 1,382,166
Royalties	\$ 533,079	\$ 412,037
<b>Total</b>	<b>\$ 16,096,207</b>	<b>\$ 1,794,203</b>

**10 Marketing expenses**

	Year ended 31 March 2022	Year ended 31 March 2021
Advertisement expenses	\$ 6,279,527	\$ 232,056
Business promotion expenses	\$ 981,780	\$ -
<b>Total</b>	<b>\$ 7,261,307</b>	<b>\$ 232,056</b>

**11 Other expenses**

	Year ended 31 March 2022	Year ended 31 March 2021
License fee (refer note no. 16)	\$ 2,850,425	\$ 917,746
Management cost (refer note no. 16)	\$ 36,202	\$ 6,464
IT support services	\$ 198,950	\$ 121,289
Legal & professional services	\$ 23,710	\$ 11,107
Independent contractor expenses	\$ 13,157	\$ 10,182
Director fees	\$ 18,000	\$ -
Dues & subscriptions	\$ 20,819	\$ 2,851
Bank charges	\$ 2,085	\$ 1,899
Forex gain/loss	\$ 105,704	\$ -
Rent expenses	\$ 785	\$ -
Travel expenses	\$ 11,960	\$ -
State tax expenses	\$ 999	\$ -
Miscellaneous expenses	\$ 11,151	\$ 576
<b>Total</b>	<b>\$ 3,293,947</b>	<b>\$ 1,072,114</b>

- 12 Effective 1 August 2021, the transfer pricing policy between Paper Boat Apps Private Limited (Paperboat) and Kiddopia Inc. (Kiddopia) for license fees is revised to 15% computed on the gross revenue income (from erstwhile transfer pricing methodology of retaining net margin of 5% on gross income) considering the change in Functional, Asset and Risk (FAR) profile of both the related parties. This arrangement meets the arms length test as per the transfer pricing benchmarking exercise conducted by an Independent transfer pricing consultant.



Kiddopia Inc.

**Other explanatory information to the standalone financial statements**

(Amounts are stated in \$ unless otherwise stated)

**13 Geographical split of revenue**

Region	Subscription and In-app sales		Royalties	
	Amount	%	Amount	%
USA	\$ 12,936,607	83.12%	\$ 494,970	92.85%
Others	\$ 2,832,698	18.20%	\$ 38,109	7.15%
<b>Total</b>	<b>\$ 15,769,306</b>	<b>101.32%</b>	<b>\$ 533,079</b>	<b>100.00%</b>
Less: Provision for sales return	\$ (206,178)	-1.32%	\$ -	0.00%
<b>Revenue from operations (refer note no.9)</b>	<b>\$ 15,563,128</b>	<b>100.00%</b>	<b>\$ 533,079</b>	<b>100.00%</b>

**Kiddopia Inc.**

**Other explanatory information to the standalone financial statements**

(Amounts are stated in \$ unless otherwise stated)

**14 Revenue from contracts with customers**

**a) Disaggregation of revenue**

The company mainstream business is distributing Kiddopia App on mobile platform such as Apple Inc.'s ("Apple") iOS, Google Play apps and Amazon. Reportable income stream includes revenue from subscription of applications and sale of In-App items (IAP) on the platform.

The company offers subscriptions of its App, Kiddopia, for a periodicity of monthly and yearly.

In case of IAP, the Group offers its application via separate apps listed on the platform, wherein the customers can install it and purchase in-built items in the said app.

**b) Timing of satisfaction of performance obligation**

Revenues associated with the sales of subscriptions are deferred until the subscription service is activated by the consumer and are then recognized rateably over the subscription period as the performance obligations are satisfied. Revenues attributable to the purchase of monthly/yearly application by our customers are recognized after the underlying performance obligations have been satisfied. Revenue from in-app items are recognised at a point in time, as retention period of active subscriber/s is below one month.

**c) Transaction price allocated to performance obligation**

The company is earning subscription revenue from apps through agents for which company is paying commission. Transaction price for the subscription revenue is accounted as gross income and commission paid to agents are expensed out. Company also earns royalty income and the consideration received from the customer (i.e., transaction price) is recognised as income, since the platform service provider acts as principal.

**d) Disaggregated revenue information**

The Group earns its revenue from the sale of:

1. App sale via subscription
2. Royalty from App sale
3. In-app sales (sale of virtual products)

Kiddopia Inc.

**Other explanatory information to the standalone financial statements**

(Amounts are stated in \$ unless otherwise stated)

**15 Tax expense**

	Year ended 31 March 2022	Year ended 31 March 2021
<b>Current tax expense</b>		
Current tax for the year	\$ 363,971	\$ 18,839
<b>Total current tax expense</b>	<b>\$ 363,971</b>	<b>\$ 18,839</b>

**15.1 The reconciliation of estimated income tax expense at tax rate to income tax expense reported in statement of profit and loss is as follows for 31 March 2022 :**

	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax	\$ 1,733,197	\$ 89,710
Income tax rate	21.00%	21.00%
<b>Income tax expense</b>	<b>\$ 363,971</b>	<b>\$ 18,839</b>

**15.2 The movement in advance tax as at 31 March 2022 and 31 March 2021**

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year (net)	\$ -402	(2,402)
Add: Advance tax paid	\$ 375,124	\$ 18,437
Less: Tax paid	\$ 402	\$ 2,402
Less: Tax paid during the year	\$ -363,971	\$ -18,839
<b>Balance at the end of the year (net)</b>	<b>\$ 11,153</b>	<b>\$ -402</b>
<b>Advance tax</b>	<b>\$ 11,153</b>	<b>\$ -</b>
<b>Provision for tax</b>	<b>\$ -</b>	<b>\$ 402</b>

**Kiddopia Inc.****Other explanatory information to the standalone financial statements**

(Amounts are stated in \$ unless otherwise stated)

**16 Related party disclosures**

## A. Names of related parties and related party relationship

<b>Names of related parties</b>	<b>Description of relationship</b>
Paper Boat Apps Private Limited	Holding Company
Anupam Dhanuka	Director

## B. Related party transactions for the year ended on 31 March 2022:

<b>Sr. No.</b>	<b>Nature of Transactions</b>	<b>Name of related parties</b>	<b>Year ended 31 March 2022</b>	<b>Year ended 31 March 2021</b>
(i)	License fees	Paper Boat Apps Private Limited	\$ 2,850,425	\$ 917,746
(ii)	Management Cost	Paper Boat Apps Private Limited	\$ 36,202	\$ 6,464

## C. Amount Outstanding as at the balance sheet date

<b>Sr. No.</b>	<b>Nature of Transactions</b>	<b>Name of related parties</b>	<b>Year ended 31 March 2022</b>	<b>Year ended 31 March 2021</b>
(i)	Accounts Payable	Paper Boat Apps Private Limited	\$ 552,958	\$ 116,692