

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors,
DigiSpice Tanzania Limited (formerly known as Spice VAS Tanzania Ltd.)

Special Purpose Audit Report on the Audit of the Financial Statements for the Consolidation purpose

Opinion

We have audited the accompanying financial statements of DigiSpice Tanzania Limited (formerly known as Spice VAS Tanzania Ltd.) ("the Company"), which comprise the Balance sheet as at March 31, 2021, the and Statement of Profit and Loss for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 and its profits for the year ended on that date.

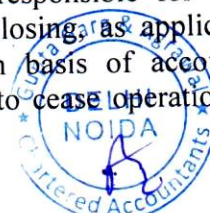
Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. 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 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence, we have obtained, is sufficient and appropriate to provide an unmodified opinion on the financial statements.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) as applicable on the parent company. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and 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



The Board of Directors are also 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 audit conducted in accordance with SAs 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 SAs, we exercise professional judgment and maintain professional skepticism 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.
- 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

1. We report that:

- (a) We have sought and obtained all the information and explanations 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 it appears from our examination of those books;
- (c) The Balance Sheet and the Statement of Profit and Loss Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards;
- (e) The Company does not have any pending litigation which would impact its financial position;
- (f) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

For **GUPTA GARG & AGRAWAL**

Chartered Accountants

Firm Registration No. 505762C

(Amit Kumar Jain)

Partner

Membership No.: 509349

UDIN: 21509349AAAAEA9530



Place: Delhi

Date: 08.06.2021

DigiSpice Tanzania Ltd. (Formerly known as Spice VAS Tanzania Ltd.)
Annual report and financial statements
For the year ended 31 March 2021

STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 March 2021 TShs '000	As at 31 March 2020 TShs '000	As at 31 March 2021 INR '000	As at 31 March 2020 INR '000
Assets					
Non current assets					
Equipment	7.	3,506	5,498	111	180
Intangible asset	8.	2,719	17,795	86	581
Deferred tax	9.	1,32,407	1,37,292	4,181	4,483
		<u>1,38,631</u>	<u>1,60,584</u>	<u>4,378</u>	<u>5,243</u>
Current assets					
Trade and other receivables	10.	2,08,368	2,92,075	6,580	9,537
Cash and cash equivalents	11.	9,435	10,462	298	342
		<u>2,17,803</u>	<u>3,02,537</u>	<u>6,878</u>	<u>9,879</u>
Total assets		<u>3,56,434</u>	<u>4,63,121</u>	<u>11,255</u>	<u>15,122</u>
Equity and Liabilities					
Equity					
Share capital	6.	2,00,000	2,00,000	6,003	6,003
Accumulated loss		(15,47,350)	(19,55,807)	(48,550)	(63,335)
Shareholders' (deficit)		<u>(13,47,350)</u>	<u>(17,55,807)</u>	<u>(42,547)</u>	<u>(57,332)</u>
Current liabilities					
Trade and other payables	12.	17,03,783	22,18,927	53,801	72,453
Current tax	5.	-	-	-	-
		<u>17,03,783</u>	<u>22,18,927</u>	<u>53,801</u>	<u>72,453</u>
Total equity and liabilities		<u>3,56,434</u>	<u>4,63,121 -0</u>	<u>11,255</u>	<u>15,122</u>

For DigiSpice Tanzania Ltd. (Formerly known as Spice VAS Tanzania Limited)


(Authorised Signatory-Holding Co.)



Place :

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2021 TShs '000	2020 TShs '000	2021 INR '000	2020 INR '000
Revenue	2 (a).	(37,332)	67,794	(1,200)	1,924
Cost of sales	2(b)	2,60,661	1,52,747	8,381	4,336
Gross profit		2,23,329	2,20,541	7,180	6,260
Other Income		2,35,902	22,374	7,585	635
Administrative expenses	3.	7,924	(1,71,946)	255	(4,880)
Other operating expenses	3.	(44,966)	(2,56,205)	(1,446)	(7,272)
Selling and distribution expenses	3.	-	1,950	-	55
Operating loss		4,22,189	(1,83,287)	13,574	(5,202)
Finance (costs)	4.	(8,847)	(3,188)	(284)	(90)
(Loss) before tax		4,13,342	(1,86,475)	13,289	(5,293)
Tax (charge)	5.	(4,885)	(94,305)	(157)	(2,677)
Loss for the year		4,08,457	(2,80,780)	13,132	(7,970)
Other comprehensive income					
Items that will be reclassified to profit or loss					
Exchange differences on translations of foreign operations		-	-	1,653	(5,091)
Total comprehensive loss for the year		4,08,457	(2,80,780)	14,785	(13,060)

For DigiSpice Tanzania Ltd. (Formerly known as Spice VAS Tanzania Limited)



(Authorised Signatory-Holding Co.)

Place :



DigiSpice Tanzania Ltd. (Formerly known as Spice VAS Tanzania Ltd.)
Annual report and financial statements
For the year ended 31 March 2021

STATEMENT OF CHANGES IN EQUITY

	Share capital TShs '000	Accumulated loss TShs '000	Total TShs '000	Share capital INR '000	Accumulated loss INR '000	FCTR loss INR '000	Total INR '000
Year ended 31 March 2021							
At start of year	2,00,000	(19,55,807)	(17,55,807)	6,003	(58,243)	-5,091	(57,331)
Total comprehensive loss for the year	-	4,08,457	4,08,457	-	13,132	1,653	14,785
At end of year	<u>2,00,000</u>	<u>(15,47,350)</u>	<u>(13,47,350)</u>	<u>6,003</u>	<u>(45,111)</u>	<u>(3,438)</u>	<u>(42,546)</u>
Year ended 31 March 2020							
At start of year	2,00,000	(16,75,027)	(14,75,027)	6,003	(50,273)	-	(44,271)
Total comprehensive loss for the year	-	(2,80,780)	(2,80,780)	-	(7,970)	(5,091)	(13,060)
At end of year	<u>2,00,000</u>	<u>(19,55,807)</u>	<u>(17,55,807)</u>	<u>6,003</u>	<u>(58,243)</u>	<u>(5,091)</u>	<u>(57,331)</u>

For DigiSpice Tanzania Ltd. (Formerly known as Spice VAS Tanzania Limited)



(Authorised Signatory-Holding Co.)



Place :