

MAHESH J. AGASHIWALA, C.P.A, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
1123 BROADWAY, STE # 301
NEW YORK, NEW YORK 10010
T: (212) 951 -7385 F: (212) 685-9208

AUDIT REPORT
DATAMATICS GLOBAL SERVICES INC
APRIL 2017 - MARCH 2018

REPORT DATE: MAY 29, 2018

DATAMATICS GLOBAL SERVICES INC.

TABLE OF CONTENTS

Financial Statements and Supplemental Schedules for the year ended March 31, 2018

Report of Independent Auditors	1-2
Balance Sheet	3
Income Statement	4
Statement of Cash Flow	5
Statement of Retained Earnings	6
Schedule of Cost of Sales	7
Schedule of Selling, General and Administrative Expenses	8
Notes to the Financial Statements	9-16

MAHESH J. AGASHIWALA, C.P.A, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
1123 BROADWAY, STE # 301
NEW YORK, NEW YORK 10010
T:212.951.7385 F: 212.685.9208

Report of Independent Auditors

To:

The Board of Directors and Stockholders
Datamatics Global Services Inc.

Report on the Financial Statements

We have audited the accompanying Balance Sheet of Datamatics Global Services Inc. as of March 31, 2018 and 2017 and the related statements of Income and Expenditure, Retained Earnings and Cash Flows for the period then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Datamatics Global Services Inc as of March 31, 2018 and 2017 and the results of its operations and its cash flows for the years then ended in conformity with Generally Accepted Accounting Principles in the United States of America.

Ramesh Sawa CPA

Mahesh J. Agashiwala C.P.A., P.C

New York, NY

May 10, 2018

**DATAMATICS GLOBAL SERVICES INC.
BALANCE SHEET**

	<u>March 31,</u> <u>2018</u>	<u>March 31,</u> <u>2017</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash & Bank Balance	\$ 3,451,691	\$ 1,513,785
Accounts Receivable, Net - Trade (Note 2 & 3)	6,569,280	5,162,898
Prepaid Taxes & Expenses	576,888	777,905
Loans & Advances - Others	849,630	862,851
Total Current Assets	11,447,489	8,317,439
PROPERTY, EQUIPMENT & IMPROVEMENTS (Note 8)		
Net of accumulated depreciation of \$3,264,169 & \$3,015,023 respectively	1,028,957	447,903
OTHER ASSETS		
Security Deposits	180,587	145,587
Investment	219,096	5,931
Total Other Assets	399,683	151,518
INTANGIBLE ASSETS (Note 9)		
Tricom Contracts - Net of Accumulated Amortization of \$0 & \$2,126,761 respectively	0	0
Intangible Assets - Net of Accumulated Amortization of \$805,291 & \$783,986 respectively	298,500	276,256
TOTAL ASSETS	\$ 13,174,629	9,193,116
<u>LIABILITIES & STOCKHOLDERS' EQUITY</u>		
CURRENT LIABILITIES		
Accounts Payable - Trade (Note 7)	\$ 4,418,745	\$ 2,127,534
HSBC Bank - Line of Credit (Note 4)	1,600,000	0
Customer Deposits	175,718	175,718
Accrued Expenses & Other Current Liabilities	937,158	1,168,712
Total Current Liabilities	7,131,621	3,471,964
EQUITY		
Equity Capital - Common (Note 11)	15,887,571	15,887,571
Additional Paid in Capital	12,354,232	12,354,232
Retained Earnings	(22,198,796)	(22,520,652)
Total Stockholders' Equity	6,043,008	5,721,152
TOTAL LIABILITY & STOCKHOLDERS' EQUITY	\$ 13,174,629	\$ 9,193,116

See Independent Auditors' Report and the accompanying notes which are an integral part of these financial statements

MAHESH J. AGASHIWALA, C.P.A, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

**DATAMATICS GLOBAL SERVICES INC.
INCOME STATEMENT**

	March 31, <u>2018</u>	March 31, <u>2017</u>
NET SALES	\$ 27,720,891	\$ 27,836,654
COST OF SALES (Schedule A)	<u>21,372,130</u>	<u>21,229,252</u>
GROSS PROFIT	6,348,761	6,607,402
OPERATING EXPENSES		
Selling, General and Administrative Expenses (Schedule B)	<u>5,743,950</u>	<u>5,429,636</u>
INCOME / (LOSS) FROM OPERATIONS	604,811	1,177,767
OTHER INCOME AND (EXPENSES)		
Interest Income / (Expenses)	(17,869)	(2,879)
Other Income / (Expenses)	<u>22,615</u>	<u>7,067</u>
TOTAL OTHER INCOME AND (EXPENSES)	4,746	4,188
NET INCOME / (LOSS) BEFORE TAX	609,557	1,181,955
Corporate Taxes (Note 2)	38,264	26,400
NET INCOME / (LOSS)	<u><u>\$ 571,293</u></u>	<u><u>\$ 1,155,555</u></u>

See Independent Auditors' Report and the accompanying notes which are an integral part of these financial statements

MAHESH J. AGASHIWALA, C.P.A, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

**DATAMATICS GLOBAL SERVICES INC.
STATEMENT OF CASH FLOW**

	March 31, <u>2018</u>	March 31, <u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Profit / (Loss)	\$ 571,293	\$ 1,155,555
Adjustments to reconcile net profit to net cash provided (used in) by Operating activities:		
Prior Period Adjustment	(249,437)	0
Depreciation & Amortization	287,991	819,693
(Increase)/Decrease in Accounts Receivable	(1,406,382)	726,843
(Increase)/Decrease in Other Current Assets	201,017	(105,254)
(Increase)/Decrease in Other Assets	(35,000)	(360,268)
Increase/(Decrease) in Current Liabilities	2,059,657	1,040,791
Net cash provided by operating activities	<u>1,429,139</u>	<u>3,277,360</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
(Addition)/Deletion to Property & Equipment	(847,741)	(554,720)
(Addition)/Deletion to Intangible Assets	(43,548)	
Investment in subsidiaries	(213,165)	0
Loans & Advances	13,221	(547,678)
Net cash provided by Investing activities	<u>(1,091,233)</u>	<u>(1,102,398)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Working Capital Facility - HSBC Bank	1,600,000	0
Working Capital Facility - CitiBank	0	(1,300,000)
Net cash provided by financing activities	<u>1,600,000</u>	<u>(1,300,000)</u>
 Net Increase / (Decrease) in cash flow	 1,937,906	 874,962
 Cash at beginning of year	 <u>1,513,785</u>	 <u>638,823</u>
 Cash at end of year	 <u>\$ 3,451,691</u>	 <u>\$ 1,513,785</u>

See Independent Auditors' Report and the accompanying notes which are an integral part of these financial statements

MAHESH J. AGASHIWALA, C.P.A, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

**DATAMATICS GLOBAL SERVICES INC.
STATEMENT OF RETAINED EARNINGS**

	March 31, <u>2018</u>	March 31, <u>2017</u>
<u>RETAINED EARNINGS</u>		
Beginning Balance	\$ (22,520,652)	\$ (23,676,206)
Prior Period Adjustment - for impairment on receivables	(249,437)	0
Net Profit / (Loss) for the Period	571,293	1,155,555
Ending Balance	<u>\$ (22,198,796)</u>	<u>\$ (22,520,652)</u>

See Independent Auditors' Report and the accompanying notes which are an integral part of these financial statements

MAHESH J. AGASHIWALA, C.P.A, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

**DATAMATICS GLOBAL SERVICES INC.
SCHEDULE OF COST OF SALES**

Schedule A

	March 31, <u>2018</u>	March 31, <u>2017</u>
Salaries	\$ 11,037,614	\$ 9,657,216
Contract Labor	6,286,784	7,548,472
Employee Benefit Expenses	539,024	682,760
Rent	784,357	614,850
Bank Charges	292	8,373
Utilities	74,526	88,736
Real & Property Taxes	45,233	44,773
Depreciation & Amortization	189,564	437,520
Recruitment Expenses	174,011	58,269
Repairs & Maintenance	266,028	100,651
Supplies	44,904	165,576
Software	38,324	50,325
Telephone	69,524	25,763
Postage	1,414,288	1,353,038
Travel Expenses	234,706	149,438
Meals & Entertainment	2,825	31,092
Professional Fees	4,494	(48)
Commission on Sales	121,200	121,200
Other Expenses	4,320	734
Insurance	40,112	90,514
 COST OF SALES	 \$ <u>21,372,130</u>	 \$ <u>21,229,252</u>

See Independent Auditors' Report and the accompanying notes which are an integral part of these financial statements

MAHESH J. AGASHIWALA, C.P.A., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

DATAMATICS GLOBAL SERVICES INC.
SCHEDULE OF SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Schedule B

	March 31, <u>2018</u>	March 31, <u>2017</u>
Advertisement & Sales Promotion	\$ 244,455	\$ 91,305
Bank Charges and Interest	10,036	17,643
Bad & Doubtful Debts	0	143,843
Depreciation & Amortization	98,427	382,173
Employee Benefit Expenses	176,423	220,987
Entertainment & Membership Expenses	30,541	75,288
Recruitment Expenses	10,495	1,020
Insurance	136,328	173,043
Legal Fees & Professional Fees	645,647	232,913
Miscellaneous Expenses	472	19,159
Software Expenses	143,846	104,350
Postage & Delivery	24,895	24,563
Printing, Stationery & Office Supplies	7,507	92,059
Rent	98,039	94,878
Repairs & Maintenance	222,043	115,996
Real & Property Taxes	9,076	8,434
Salaries	3,199,352	2,988,439
State Corp Tax	0	38,588
Telephone & Link Expenses	279,866	287,584
Travel Expenses	384,838	295,783
Utilities	21,664	21,588
TOTAL	\$ <u>5,743,950</u>	\$ <u>5,429,636</u>

See Independent Auditors' Report and the accompanying notes which are an integral part of
these financial statements

MAHESH J. AGASHIWALA, C.P.A, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

**DATAMATICS GLOBAL SERVICES INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018**

1. ORGANIZATION

Datamatics Global Services Inc. (the Company) formerly Datamatics Technologies Inc. has been incorporated in the state of Delaware in 1999 and is a wholly owned subsidiary of Datamatics Global Services Limited (DGSL), formerly Datamatics Technologies Limited (DTL), which is incorporated in India.

At the end of March 31, 2009, Datamatics (America) Inc and Datamatics Infotech Inc merged with Datamatics Technologies Inc and the new merged entity changed its name to Datamatics Global Services Inc (the Company).

The principal business of the Company is to provide ITES - BPO services, more particularly, the Company offers end to end services in back office processing, covering: Accounts Payable Management, Tax Returns Processing, Market Research Forms Processing and Health Care Claims Processing; Content Management including Publishing Services, Financial Document Processing and Litigation Support Services. It also offers Consulting Services including Data Warehousing and Business Intelligence, Data Integration and Document Management and Workflow.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The Company maintains its books of accounts on accrual basis.

INVENTORY

The Company is not engaged in sale of any products and therefore there is no inventory of merchandise.

CONTRACT LABOR

Contract Labor consists of expenses related to hiring of human resources.

CASH

Cash includes cash on hand and in bank deposit. The Company maintains its cash in bank deposit accounts that, at times, may be in excess of amounts insured by the Federal Deposit Insurance Corporation. The Company has not experienced any losses in such accounts.

See Independent Auditors' Audit Report

**DATAMATICS GLOBAL SERVICES INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of cash, accounts receivable, accounts payable and accrued liabilities approximate fair value due to the short maturity of those instruments. The Company believes that the carrying value of notes payable and capital leases payable approximates fair value as the interest rates on those instruments are similar to rates currently available to the Company.

PROPERTY, EQUIPMENT AND DEPRECIATION

Property and Equipment are valued at cost. Depreciation is provided on Straight Line Method over the estimated useful life of the assets. When the assets are disposed off, the cost and the accumulated depreciation are eliminated from the books of accounts and the gain or loss is recognized.

INTANGIBLE ASSETS

Intangible assets consist of business acquisition costs, software and capitalized leases. Management believes that the intangible assets have significant value and will provide future benefits to the Company and are stated at their fair values.

In accordance with GAAP, long lived assets to be held and used are analyzed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recovered. The Company evaluates at each balance sheet date whether events and circumstances have occurred that indicates possible impairment. If there are indications of impairment, the Company uses future undiscounted cash flows of the related asset or asset grouping over the remaining life in measuring whether the assets are recoverable. In the event such cash flows are not expected to be sufficient to recover the recorded asset values, the assets are written down to their estimated fair value.

PROVISION FOR DOUBTFUL DEBTS

The Company creates a reserve for bad debts for its Receivables, which it considers as doubtful. In 2016-17, the Company increased its reserve for bad debts from \$77,865 to \$221,708. For the year ending March 2018, the reserve for bad debt balance remains at \$221,708.

See Independent Auditors' Audit Report

MAHESH J. AGASHIWALA, C.P.A, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

**DATAMATICS GLOBAL SERVICES INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

USE OF ESTIMATES

The preparation of financial statements as per Generally Accepted Accounting Principles requires management to make estimates and assumptions which affects the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of revenue and expenses during the reported period. Actual results could differ from such estimates.

INTERNAL CONTROLS

Management believes that adequate internal controls are in place.

INCOME TAXES

The Company has reported Net Income for the current fiscal year. However, no provision for income taxes are made in the books since the Company intends to utilize its accumulated Net Operating Losses in Prior Years to offset the current year's Net Taxable Income and will continue to do so in future years until the Net Operating Losses are either fully utilized or lapsed. The management has decided not to set up a Deferred Tax Asset Account. The mandatory State Income Taxes have been provided for since they are based on alternative tax computation.

3. ACCOUNTS RECEIVABLE

Accounts Receivable includes \$832,857 which is past due for over 180 days, representing 12% of the total Accounts Receivable. The management represents that it expects to realize the amount in full over a period of time.

The Company adopted Expected Credit Loss Methodology, to comply with the International Financial Reporting Standard 9, a deviation from Generally Accepted Accounting Principles, to evaluate the impairment of its accounts receivables for all prior years by creating \$249,437 of a reserve that reduced the accounts receivable reported in the current financial year. This prior period adjustment is reflected as a separate line entry in the current year retained earnings.

See Independent Auditors' Audit Report

**DATAMATICS GLOBAL SERVICES INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018**

4. Line of Credit - BUSINESS LOAN AGREEMENT

On January 10, 2018, the Company signed an uncommitted discretionary demand line of credit from HSBC Bank of up to \$3 million at Libor plus 2.15% per annum, to be used solely for working capital and general corporate purpose. The Company borrowed \$1.6 million against this line of credit on March 29, 2018. The line of credit shall be payable on demand. The line of credit is subject to renewal by the Bank in its sole discretion on August 31st of each year.

On April 3, 2018, the Company advanced \$1.6 million to Datamatics Global Servicers Corp (DGSC), a wholly owned Philippines subsidiary of the Company, to fund the purchase of RJ Globus Solutions, a Philippines company.

5. CUSTOMER CONTRACT PURCHASE AGREEMENT

The contract between the Company and Tricom Parties dated September 16, 2013 under which the Company agreed to purchase certain customer contracts for healthcare claim processing business in USA for a total consideration of \$2,494,000. However some of the customer contracts were not turned over to the Company and hence the total consideration was reduced to \$2,126,761. The Company recorded an intangible asset of \$2,126,761 and is amortizing over a period of 36 months from date of purchase.

6. BUSINESS DEVELOPMENT AGREEMENT

The five year conditional contract between the Company and Ameriinfo LLC (Consultant) dated March 5, 2014 under which the Accounts Payable Service Centre project introduced by the Consultant will generate minimum revenue of \$4,795,000 and the Company has agreed to pay \$606,000 towards total gross commission in advance. As per the terms of the contract, the Company paid \$350,000 commission in advance as of March 31, 2014 and was liable to pay the balance \$256,000 as of March 31, 2015 which is unpaid as of March 31, 2018. This is neither paid nor recorded as a current liability as of March 31, 2018. Out of \$350,000 paid to the Consultant, the Company expensed \$40,400 towards commission during 2013-14, \$121,200 during 2014-15, \$121,200 during 2015-16 and \$67,200 during 2016-17.

See Independent Auditors' Audit Report

**DATAMATICS GLOBAL SERVICES INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018**

7. RELATED PARTY TRANSACTIONS

Accounts Payable includes \$3,997,699 due to DGSL, the parent company against services received worth of \$5,905,771 as of March 31, 2018.

As of March 31, 2018, DGSL, the parent company, has charged a fee of \$7,500 for providing a corporate guarantee.

Accounts Payable includes \$34,198 due to Lumina Datamatics Inc., a related company under the common control of DGSL against services received worth of \$327,083 as of March 31, 2018. The Company reimbursed \$107,050 for expenses to Lumina Datamatics Inc., as of March 31, 2018.

As of March 31, 2018, Accounts Receivable includes \$47,565 due from Cignex Datamatics Inc., (Cignex) a related company under the common control of DGSL. The Company has rendered services worth of \$177,440 to Cignex during the year. The Company reimbursed \$170,072 for expenses to Cignex as of March 31, 2018.

On March 30, 2017, the Company incorporated Datamatics Robotics Software, Inc. (DRSI), a wholly owned subsidiary of the Company and recorded Stock subscription payable of \$1,000 as Other Current Liability. On March 14, 2018, the Company contributed \$10,000 as capital. The objective is to sell DGSL Proprietary Robotics Software to US customers in the USA through a license purchased from a DGSL related entity.

On March 30, 2017, the Company recorded a \$205,700 obligation to Datamatics Global Technologies AG, a related company under the common control of DGSL, for the US Intellectual Property rights to Apper IQ. This amount is recorded as intangible asset and Accounts Payable in March 31, 2017 Balance Sheet. The amortization of the intangible asset is recorded as of April 01, 2018.

On January 23, 2018, the Company purchased all of the outstanding 100,000 shares of Datamatics Global Services Corp. (DGSC) which is a corporation registered under the laws of the Republic of the Philippines, from a related entity, Datamatics Global Services FZ-LLC which is registered under the laws of United Arab Emirates (Dubai), for 10,000,000 PHP (Philippines Pesos). The converted US dollar amount of \$195,057 was wired on February 8, 2018.

See Independent Auditors' Audit Report

**DATAMATICS GLOBAL SERVICES INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018**

8. PROPERTY, EQUIPMENT & IMPROVEMENTS

As of March 31, 2018 property, equipment and improvements consisted of the following:

	Automobiles	Machinery And Equipment	Furniture And Fixtures	Leasehold Improvements	Total
<u>Cost:</u>					
Beginning Balance					
March 31, 2017	\$ 28,996	\$ 2,975,206	\$ 331,164	\$ 127,540	\$ 3,462,927
Additions	-	814,925	29,489	3,600	848,014
Dispositions	<u>17,795</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,795</u>
Ending Balance					
March 31, 2018	<u>\$ 11,201</u>	<u>\$ 3,790,130</u>	<u>\$ 360,653</u>	<u>\$ 131,140</u>	<u>\$ 4,293,126</u>

**Accumulated
Depreciation:**

Beginning Balance					
March 31, 2016	\$ 23,357	\$ 2,689,013	\$ 224,627	\$ 78,026	\$ 3,015,023
Additions	2,077	228,555	26,840	9,302	266,774
Dispositions	<u>17,628</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,628</u>
Ending Balance					
March 31, 2017	<u>\$ 7,806</u>	<u>\$ 2,917,568</u>	<u>\$ 251,467</u>	<u>\$ 87,328</u>	<u>\$ 3,264,169</u>

9. INTAGIBLE ASSETS

Intangible assets, at cost, consist of business acquisition costs, software and capital leases.

Business acquisition costs – Tricom Parties consist of the costs including legal costs incurred to purchase customer contracts:

Business acquisition – Tricom Parties	\$ 2,126,761
Less: Accumulated amortization	<u>2,216,761</u>
Business acquisition – Net	<u>\$ -</u>

Business acquisition costs are fully written off for the year ending March 2018.

See Independent Auditors' Audit Report

MAHESH J. AGASHIWALA, C.P.A., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

**DATAMATICS GLOBAL SERVICES INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018**

9. INTAGIBLE ASSETS (Continued)

Other Intangible costs consist of:

Capitalized Software	\$ 978,633
Capitalized Leases	125,158
Less: Accumulated amortization	<u>805,291</u>
Other Intangible Assets – Net	<u>\$ 298,500</u>

10. LEASE COMMITMENTS

The Company has entered into lease agreements for office space and various items of equipment. The rental agreement for office space includes escalation clauses that allow increase in future operating costs.

Future minimum lease payments for the current facilities and equipment are listed by year and in the aggregate, under non-cancelable operating leases with remaining terms of one year or more are as follows:

Fiscal Year	Lease Obligations
2018-19	\$887,586
2019-20	\$764,308
2020-21	\$861,975
2021-22	\$880,681

The lease obligations are neither recorded as an intangible asset nor as the liability. These amounts will change as the Company renegotiates or finds new facilities when any of the existing leases expires.

See Independent Auditors' Audit Report

**DATAMATICS GLOBAL SERVICES INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018**

11. EQUITY

The Company has Authorized Common Stock of 1150 Shares @ No Par Value.
As of March 31, 2018 Common Stock Issued and Outstanding was 1000 shares @ No Par Value.

12. SUBSEQUENT EVENTS

On April 3, 2018, the Company advanced \$1.6 million to Datamatics Global Servicers Corp (DGSC), a wholly owned Philippines subsidiary of the Company, to fund the purchase of RJ Globus Solutions, a Philippines company that operates as a call center in the Philippines. This company will be consolidated into the Company's Philippines subsidiary Datamatics Global Services Corp (DGSC) (refer to note 4)

See Independent Auditors' Audit Report