

**Addverb Technologies B.V.**  
**Financials Statement**  
**2021-22**

## **INDEPENDENT AUDITOR'S REPORT**

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### **To: The shareholders of Addverb Technologies B.V.**

#### **A. Report on the audit of the financial statements 2021/ 2022 included in the annual report**

We were engaged to audit the accompanying financial statements for the period ended 31 March 2022 of Addverb Technologies B.V. based in Hague.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Addverb Technologies B.V. for the period ended 31 March 2022 and of its result for the period 26<sup>th</sup> February 2021 up to and including 31 March 2022 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- the balance sheet as at 31 March 2022;
  - the profit and loss account for the period 26<sup>th</sup> February 2021 up to and including 31 March 2022
- and
- the notes comprising a summary of the accounting policies and other explanatory information.

#### **Basis for our opinion**

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Addverb Technologies B.V. in accordance with the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch Code of Ethics).

#### **Other matter paragraph**

This auditor's report is intended solely for Addverb Technologies B.V. and her shareholders.

#### **B. Report on the other information included in the annual report**

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- other information as required by Part 9 of Book 2 of the Dutch Civil Code;

We were engaged to read the other information and, based on our knowledge and understanding to be obtained through our audit of the financial statements or otherwise, to consider whether the other information contains material misstatements.

Management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720.

## **INDEPENDENT AUDITOR'S REPORT**

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### **C. Description of responsibilities regarding the financial statements**

#### **Responsibilities of management for the financial statements**

The management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

#### **Our responsibilities for the audit of the financial statements**

Our responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with Dutch law, including the Dutch Standards on Auditing.

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements.

For a further explanation of our responsibilities and audit procedures, we refer to the website of the NBA: Koninklijke Nederlandse Beroepsorganisatie van Accountants: <http://www.nba.nl/ENG> algemeen 01.

The Hague, 4th April 2022

IAC Audit & Assurance.

drs. S. Rindas RR

Initials for authentication purposes:

**Addverb Technologies B.V.****Balance Sheet as at 31<sup>st</sup> March 2022**

	<u>Notes</u>	<u>31-Mar-2022</u> EUR
<b>Fixed assets</b>		
Tangible fixed assets	1	2,444
		<u>2,444</u>
<b>Current assets</b>		
Receivables, including prepayments	2	231,294
Cash and cash equivalents	3	189,746
		<u>421,040</u>
<b>Short term liabilities</b>	4	387,924
<b>Balance of current assets less short-term liabilities</b>		33,116
<b>Balance of assets less short-term liabilities</b>		<u><u>35,560</u></u>
<b>Long-term liabilities</b>	5	295,000
<b>Shareholders' equity</b>		
Share capital		100
Result for the period		<u>(259,540)</u>
		<u>(259,440)</u>
		<u><u>35,560</u></u>

**Addverb Technologies B.V.****Profit and Loss account for the period 26<sup>th</sup> February 2021 to 31<sup>st</sup> March 2022**

	<u>Notes</u>	<u>26 Feb 2021 to 31 Mar 2022</u> EUR
Revenue	6	334,689
Other Income	7	19,878
Cost of goods sold	8	(333,023)
		<u>21,544</u>
<b>Operating cost</b>		
Employment costs	9	(156,727)
Depreciation and amortization	10	(101)
General and administrative expenses	11	(116,422)
		<u>(273,250)</u>
<b>Total operating result</b>		<b>(251,706)</b>
Financial income/(expenses)	12	(7,834)
		<u>(259,540)</u>
<b>Result before taxation</b>		<b>(259,540)</b>
Corporate income tax		-
		<u>-</u>
<b>Result after taxation</b>		<b>(259,540)</b>

**Addverb Technologies B.V.****Statement of change in Equity***(In EUR)***Shareholders' equity**

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Result</u>	<u>Total</u>
Issued capital as on 26 February 2021	100	-	-	100
Movement during the year	-	-	-	-
Result for the year	-	-	(259,540)	(259,540)
Allocation of result	-	-	-	-
Balance as on 31 March 2022	<u>100</u>	<u>-</u>	<u>(259,540)</u>	<u>(259,440)</u>

The issued and paid up share capital amounts to Euro 100 and consists of 100 ordinary shares with a nominal value of Euro 1 each.

**Addverb Technologies B.V.****Cash Flow Statement for the financial year 2021-22**

	<b>26 Feb 2021 to 31 Mar 2022</b>
	<b>Euro</b>
<b>Operating activities</b>	
Profit/(loss) for the period	<b>(259,540)</b>
<b>Changes in working capital</b>	
Decrease/ (Increase) in current assets	(231,294)
(Decrease)/ Increase in current liabilities	387,924
Depreciation	101
<b>Cash generated from/(used in) operating activities</b>	<b>(102,809)</b>
<b>Investing activities</b>	
Amount paid for purchase of tangible fixed assets	(2,545)
Investment in subsidiary	-
<b>Cash generated from/(used in) investing activities</b>	<b>(2,545)</b>
<b>Financing activities</b>	
Proceeds from loan from Shareholders	295,000
Proceeds from issued of shares	100
Dividend paid	-
<b>Cash generated from/ (used in) financing activities</b>	<b>295,100</b>
Net increase/ (decrease) in cash and cash equivalents	189,746
Cash and cash equivalents at the beginning of the year	-
<b>Cash and cash equivalents at the end of the year</b>	<b>189,746</b>

**Addverb Technologies B.V.****Notes to the Financial Statements**

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**General**

The Company, Addverb Technologies B.V. is a private limited liability company and was incorporated on 26<sup>th</sup> February 2021. It has statutory seat in s-Gravenhage and registered office at Prinses Margrietplantsoen 33, 2595AM 's-Gravenhage, The Netherlands.

The sole shareholder is Addverb Technologies Private Limited, India

**Activities**

The principal business activities of the Company is to build robotics and automation solutions for factories and warehouses. Company also develop mobility inside warehouses including navigation technologies.

**Financial year**

The financial year of the Company starts on 1<sup>st</sup> April and ends on 31<sup>st</sup> March of the immediate following year. However, the first financial period of the Company is 26<sup>th</sup> February 2021 to 31<sup>st</sup> March 2022. As a result no comparative figures have been presented.

**Reporting currency**

The financial statements of the Company are prepared and presented in Euro (EUR) which is presentation and functional currency of the Company.

**Going concern**

These financial statements have been prepared on a going concern basis, which basis for valuation and determination of results assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

**Principles for the valuation of assets and liabilities****Accounting policies**

The annual accounts have been prepared in accordance with accounting principles generally accepted in the Netherlands (Title 9, Book 2 of the Dutch Civil Code) and are denominated in Euro, which is the Company's functional currency.

**Tangible fixed assets**

Tangible fixed assets are valued at cost less depreciation and, if applicable, impairment. Depreciation is based on the useful life and calculated as a fixed percentage of the acquisition price, taking into account any residual value.

**Receivables**

Receivables are recognized initially at fair value and subsequently measured at amortized cost. When a receivable is considered uncollectible, it is written off against the allowance account for receivables. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method.

**Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, bank balances, remittance in transit and deposits. Cash and cash equivalents are stated at nominal value.

**Shareholders' equity**

Financial instruments that are designated as equity instruments by virtue of the economic reality are presented under shareholders' equity. Payments to holders of these instruments are deducted from the shareholder's equity as a part of the profit distribution.

The Company's ordinary shares are classified as equity instruments.

Financial instruments that are designated as a financial liability by virtue of the economic reality are presented under liabilities. Interest, dividends, income and expenditure with respect to these financial instruments are recognized in the profit and loss as financial income or expense.



**Addverb Technologies B.V.****Notes to the Financial Statements (continued...)**

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**Principles for the valuation of assets and liabilities (continued...)****Long-term liabilities**

Long-term liabilities relate to loans with a term longer than one year. The part of the loans that is repaid in the coming financial year, has been included under the short-term liabilities. Long-term liabilities are stated after initial recognition at amortized cost.

**Provisions**

Provisions are formed for liabilities which are deemed probable or certain at the balance sheet date, but which are still unknown as to the amount or timing of outflow of funds.

**Current liabilities**

The current liabilities concern the liabilities with a duration of shorter than one year. These liabilities are valued at nominal value unless stated otherwise.

**Accounts payable**

All accounts payable are stated at nominal value and are expected to be paid within one year after the balance sheet date

**Depreciation**

Depreciation of equipment is based at cost. Depreciation is provided on a straight-line basis over the expected useful life.

**Related party transactions**

An entity is considered as a related party if any of the following conditions prevail:

- The financial and operating activities are controlled by The Company or are controlled by The same party, which includes common control, joint control or significant influence.
- The entity and the reporting entity are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

Transaction with related parties were made on terms equivalent to those that prevail in arm's length transaction.

**Principles for the determination of the result**

The result is determined as the difference between the value of the goods delivered and the costs and other charges related to the year. Profits on transactions are recognised in the year in which they are realised, losses are taken into account as soon as they are foreseeable.

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Company's activities. Revenue is shown net of value-added tax, rebates and discounts.

Income and expenses denominated in foreign currencies are accounted for at the official rates of exchange prevailing on the date on which the transaction took place. Translation differences due to exchange rate fluctuations between the transaction date and the settlement date or balance sheet date are recognized in the profit and loss account.

Tax on result is calculated by applying the current rate on the result for the financial year in the profit & loss account, taking into account tax losses carry-forward and tax exempt profit elements and after inclusion of non-deductible costs.

Provisions for taxation have been made in accordance with Dutch Corporate Income Tax Law.

**Addverb Technologies B.V.****Notes to the Financial Statements (continued...)**

	<u>31-Mar-2022</u>
	<u>EUR</u>
<b>1. Tangible fixed assets</b>	
Office equipment	2,444
	<u>2,444</u>
<b><i>Office equipment</i></b>	
<i>Balance as at April 1</i>	
Purchase price	2,545
Accumulated depreciation	-
	<u>2,545</u>
<i>Changes during the year</i>	
Addition/(deletion)	-
Depreciation	(101)
<i>Balance as at March 31</i>	
Purchase price	2,545
Accumulated depreciation	(101)
	<u>2,444</u>
<b>2. Receivables, including prepayments</b>	
Account Receivables	222,369
Other receivables, including prepayments	8,925
	<u>231,294</u>
<b>Other receivables, including prepayments</b>	
Security deposit	2,640
VAT receivables	6,285
	<u>8,925</u>
<b>3. Cash and cash equivalents</b>	
ABN AMRO	189,746
	<u>189,746</u>
<b>4. Short-term liabilities</b>	
Accrued liabilities	3,640
Interest payable	6,831
Payable to employees	220
Trade creditors	356,850
Wage tax payable	20,383
	<u>387,924</u>
<b>5. Long-term liabilities</b>	
Loan from Addverb Technologies Private Limited	295,000
	<u>295,000</u>

During the year, the Company entered into loan agreement with Addverb Technologies Private Limited for loan facility amounting to EUR 295,000. The loan bears the interest rate of 5.25% p.a.

## Addverb Technologies B.V.

## Notes to the Financial Statements (continued...)

	26 Feb 2021 to 31 Mar 2022
	EUR
<b>6. Revenue</b>	
Sales	334,689
	<u><b>334,689</b></u>
<b>7. Other Income</b>	
Freight Income	2,132
Packing & Forwarding Revenue	17,746
	<u><b>19,878</b></u>
<b>8. Cost of goods sold</b>	
Opening inventory	-
Purchase	(318,015)
Less : Closing inventory	-
	<u><b>(318,015)</b></u>
Freight Inward	(11,289)
Handling charges	(173)
Packing & forwarding charges	(3,546)
	<u><b>(333,023)</b></u>
<b>9. Employment costs</b>	
Salaries and Wages	(125,530)
Holiday allowance	(10,034)
Social security charges	(7,800)
Other allowance	(13,363)
	<u><b>(156,727)</b></u>
<b>10. Depreciation and amortization</b>	
Depreciation - IT Equipment	(101)
	<u><b>(101)</b></u>
<b>11. General and administrative expenses</b>	
Audit fees	(7,280)
Business promotion expenses	(8,574)
Consultancy fees	(53,973)
Insurance expense	(1,451)
Legal fees	(937)
Marketing expenses	(14,700)
Office supplies	(545)
Printing and Stationary	(383)
Parking expenses	(466)
Rent	(7,742)
Rate & taxes	(4,597)
Telephone expenses	(21)
Travel expenses	(15,649)
Vehicle expenses	(59)
Other expenses	(45)
	<u><b>(116,422)</b></u>

## Addverb Technologies B.V.

## Notes to the Financial Statements (continued...)

**26 Feb 2021 to  
31 Mar 2022**

**12. Financial income/(expenses)**

Bank charges	(983)
Currency exchange difference	(20)
Interest charges on loan	(6,831)
	<b>(7,834)</b>

**13. Directors**

The Company has three directors during the financial year.

**14. Average number of employees**

During the financial year, the Company has three employees.

**15. Impact of COVID-19**

The COVID-19 pandemic has disrupted various business operations across the world. The Company continues with its operations in a phased manner in line with directives from the authorities. The Company has evaluated the impact of this pandemic on its business operations, liquidity, assets and financial position and based on management's review of current indicators and economic conditions there is no material Impact and adjustments required on its financial results as at March 31, 2022. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions and its impact, if any.

**16. Post Balance Sheet date events**

Since balance sheet date no events occurred, which would change the financial position of the Company and which would require adjustments of or disclosure in the annual accounts now presented.

Signed on, April 04, 2022

Sd/-

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**Amit Kumar**  
Director

Sd/-

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**Pieter Feenstra**  
Director

Sd/-

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**Indra Kumar Jaiswal**  
Director