

MDUNDO.COM LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

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MDUNDO.COM LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2019

**MDUNDO.COM LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

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DIVIDENDS

DIRECTORS AND EMPLOYEES

Angus James Davies

DECLARATION OF INDEPENDENCE

The auditor has audited the financial statements of the company for the year ended 30 June 2019 in accordance with the requirements of the Companies Act 2006 and the Auditing Regulations 2008. The auditor has not audited the financial statements of the company for the year ended 30 June 2018.

ACCOUNTING PERIOD

The financial statements of the company for the year ended 30 June 2019 are prepared in accordance with the requirements of the Companies Act 2006 and the Auditing Regulations 2008.

**MDUNDO.COM LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

Page 1

The directors present their report and the audited financial statements for the year ended 30th June, 2019.

INCORPORATION

The company was incorporated as an International Business Company under the International Business Companies Act, 1994 on 15th November, 2012. The Act has been repealed and replaced by the IBC Act, 2016.

PRINCIPAL ACTIVITY

The company's principal activity is to carry on business of an investment or holding company.

STATE OF AFFAIRS

The state of affairs of the company is set out in the attached financial statements.

DIVIDEND

The directors are unable to recommend the payment of a dividend (2018 – Nil).

DIRECTORS AND THEIR INTERESTS

The directors and their shareholdings since the beginning of the year were:

| | No. of Shares | |
|------------------------|---------------|------------|
| | 30.06.2019 | 30.06.2018 |
| Jesper Vesten Drescher | -- | -- |

DIRECTORS' RESPONSIBILITIES

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the requirements of the International Business Companies Act, 1994, repealed and replaced by International Business Companies Act, 2016. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ACCOUNTING PERIOD

The accounting period for the comparative year ran from 1st January to 30th June 2018 to synchronise it with the related party financial year end.

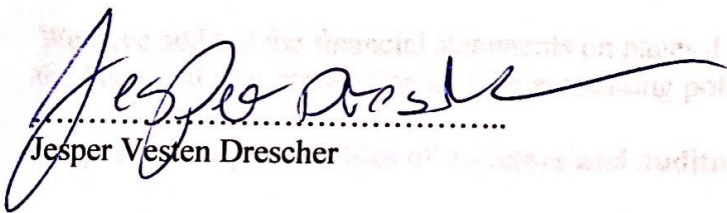
**MDUNDO.COM LIMITED
DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2019**

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AUDITORS

Messrs Halpern & Woolf have indicated their willingness to continue as auditors.

**AUDITORS' REPORT TO THE MEMBERS OF
MDUNDO.COM LIMITED**


Jesper Vesten Drescher

We have audited the financial statements on pages 1 to 7 which have been prepared under the provisions of the Companies Act, 1994 and the Companies (Auditors' Report) Rules, 2016 in accordance with the auditing standards generally accepted in South Africa.

Opinion

In our opinion, the financial statements are prepared in accordance with the provisions of the Companies Act, 1994 and the Companies (Auditors' Report) Rules, 2016 and give a true and fair view of the financial position of the company as at 30 June 2019 and of its performance for the year ended on that date.

We have also audited the supplementary financial information on pages 8 to 10 and in our opinion, it is consistent with the financial statements and gives a true and fair view of the supplementary financial information as at 30 June 2019 and for the year ended on that date.

We have also audited the directors' remuneration report on pages 11 to 13 and in our opinion, it is consistent with the financial statements and gives a true and fair view of the directors' remuneration as at 30 June 2019 and for the year ended on that date.

HALPERN & WOOLF
7th April, 2020.

ASSETS

30 June 2019 30 June 2018

US\$ US\$

24,509 51,819

1,041,025 792,712

1,118,534 844,534

NOT CLERENT ASSET

**AUDITORS' REPORT TO THE MEMBERS OF
MDUNDO.COM LIMITED**

CURRENT ASSETS

We have audited the financial statements on pages 4 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards in general use in Seychelles. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

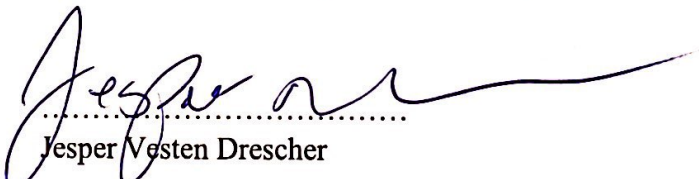
We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 June, 2019 of its results for the year then ended and have been properly prepared in accordance with the International Business Companies, Act 1994 repealed and replaced by the International Business Companies Act, 2016.

HALPERN + WOOLF
7th April, 2020.

MDUNDO.COM LIMITED
BALANCE SHEET
30 JUNE 2019

| ASSETS | NOTES | 30 June 2019 US\$ | 30 June 2018 US\$ |
|-------------------------------|-------|-------------------------|-------------------------|
| NON-CURRENT ASSET | | | |
| Intangible asset | 9 | 74,509 | 51,819 |
| Investment | 8 | 1,044,025 | 793,715 |
| | | <u>1,118,534</u> | <u>845,534</u> |
| CURRENT ASSETS | | | |
| Accounts receivable | | 8,451 | 481,397 |
| Cash and bank | | 255,204 | 115,624 |
| | | <u>1,382,189</u> | <u>1,442,555</u> |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Share capital | 2 | 4,309 | 4,309 |
| Additional paid-in capital | 3 | 1,648,876 | 1,648,876 |
| Accumulated (Deficit) | | (302,801) | (227,427) |
| | | <u>1,350,384</u> | <u>1,425,758</u> |
| CURRENT LIABILITIES | | | |
| Accruals | | 4,600 | 3,450 |
| Payables | | 27,205 | 13,347 |
| | | <u>1,382,189</u> | <u>1,442,555</u> |



 Jesper Vesten Drescher

The attached notes 1 to 9 form an integral part of these financial statements.

MDUNDO.COM LIMITED
INCOME STATEMENT
YEAR ENDED 30 JUNE 2019

| | NOTE | Year ended 30 June 2019 US\$ | Period ended 30 June 2018 US\$ |
|---|------|---------------------------------------|---|
| REVENUE | | <u>20,372</u> | <u>--</u> |
| Net (loss) before taxation | | (75,374) | (7,994) |
| after charging:- | | | |
| Audit fees | | 1,000 | 1,000 |
| Taxation - Current year | 4 | <u>--</u> | <u>--</u> |
| NET (LOSS) AFTER TAXATION | | (75,374) | (7,994) |
| Accumulated (Deficit) at 1 July | | <u>(227,427)</u> | <u>(219,433)</u> |
| Accumulated (Deficit) at 30 June | | <u>(302,801)</u> | <u>(227,427)</u> |

The attached notes 1 to 9 form an integral part of these financial statements.

MDUNDO.COM LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

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1. BASIS OF PRESENTATION

The financial statements are prepared under the historical cost convention in accordance with the requirements of the International Business Companies Act, 1994, repealed and replaced by International Business Companies Act, 2016 of the Republic of Seychelles and in compliance with Generally Accepted Accounting Practice.

2. SHARE CAPITAL

| | 30 June | 30 June |
|---|----------------|----------------|
| | 2019 | 2018 |
| | US\$ | US\$ |
| Authorised 50,000 ordinary shares of US\$1 each | 50,000 | 50,000 |
| Issued and fully paid 4,309 Ordinary shares of US\$1 each | 4,309 | 4,309 |

3. ADDITIONAL PAID-IN CAPITAL

This represents amount in excess of the issued share capital.

4. TAXATION

The company is not subject to taxation on its income.

5. DIRECTORS EMOLUMENTS

No remuneration was received or waived by any director during the year (2018 – Nil).

6. CAPITAL COMMITMENTS

At balance sheet date, the directors had neither authorised nor entered into any material commitments for capital expenditure (2018 – Nil).

7. CONTINGENT LIABILITIES

The directors are not aware of any material contingent liabilities existing at balance sheet date (2018 – Nil).

MDUNDO.COM LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2019

8. INVESTMENT

This represents funds transferred to Mdundo Limited it's subsidiary, a company incorporated in Kenya. The company currently owns 100% shares in the subsidiary.

9. INTANGIBLE ASSET

On 29th June 2018, the director resolved to capitalise the software development costs and to adopt an amortisation policy of 30% reducing balance.

| | 30 June | 30 June |
|--------------------------|----------------------|----------------------|
| | 2019 | 2018 |
| | US\$ | US\$ |
| COST | | |
| At 1 July | 134,382 | 121,035 |
| Addition during the year | <u>54,622</u> | <u>13,347</u> |
| At 30 June | <u>189,004</u> | <u>134,382</u> |
| AMORTISATION | | |
| At 1 July | 82,563 | 73,419 |
| Charge during the year | <u>31,932</u> | <u>9,144</u> |
| At 30 June | <u>114,495</u> | <u>82,563</u> |
| At 30 June | <u><u>74,509</u></u> | <u><u>51,819</u></u> |

**MDUNDO. COM LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 2019**

NOT FOR PUBLICATION

| | Year ended 30 June 2019 US\$ | Period ended 30 June 2018 US\$ |
|-----------------------------------|---|---|
| REVENUE | | |
| Advertising networks | 11,039 | -- |
| Other sales | 9,333 | -- |
| | <u>20,372</u> | <u>--</u> |
| COST OF SALES | | |
| Artists payment | (5,070) | -- |
| | <u>15,302</u> | <u>--</u> |
| GROSS PROFIT | | |
| | 15,302 | -- |
| EXPENSES | | |
| Audit fees | (1,000) | (1,000) |
| Amortisation | 9 (31,932) | (9,144) |
| Bank charges | (1,061) | -- |
| Legal and professional fees | (3,043) | -- |
| Selling costs | (18,891) | -- |
| Staff costs | (23,189) | -- |
| Sundry income | -- | 2,300 |
| Travel | (11,410) | -- |
| VAT | (150) | (150) |
| Net operating (loss) | <u>(90,676)</u> | <u>(7,994)</u> |
| NET (LOSS) BEFORE TAXATION | <u><u>(75,374)</u></u> | <u><u>(7,994)</u></u> |