

Muthoot Finserve USA INC.,

[Formerly known as Royal Exchange USA INC.]

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| BALANCE SHEET FOR THE YEAR ENDED DECEMBER 31, 2020 & 2019 | | |
|--|------------------|------------------|
| | Total 2020 | Total 2019 |
| | USD | USD |
| ASSETS | | |
| Current Assets | | |
| Cash and Cash Equivalents | 1,801,296 | 2,001,311 |
| Other Current Assets & Prepaid | 153,922 | 112,567 |
| Advances to vendors | 2,644,384 | 592,536 |
| Total Current Assets | 4,599,602 | 2,706,414 |
| Non Current Assets | | |
| Property & Equipment -Net | 14,019 | 17,228 |
| Loan to Shareholders | - | 400,000 |
| Bank Guarantees and Security Deposits | 734,390 | 699,968 |
| Loan to Muthoot Finance USA Corporation | 443,581 | 293,185 |
| TOTAL ASSETS | 5,791,592 | 4,116,795 |
| LIABILITIES AND STOCKHOLDER'S EQUITY | | |
| Current Liabilities | | |
| Accounts Payable | 4,055,023 | 2,464,800 |
| Other Current Liabilities | 345,638 | 284,373 |
| Total Current Liability | 4,400,661 | 2,749,173 |
| Total Long Term Liabilities | - | - |
| Stockholders' Equity | | |
| Common Stock \$300 Par Value: 1000 Shares | 1,137,500 | 1,137,500 |
| Retained Earnings | 253,431 | 230,122 |
| Total Stockholder's Equity | 1,390,931 | 1,367,622 |
| TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY | 5,791,592 | 4,116,795 |

| STATEMENT OF INCOME FOR THE YEAR ENDED DECEMBER 31, 2020 & 2019 | | |
|--|----------------|----------------|
| | Total 2020 | Total 2019 |
| | USD | USD |
| REVENUE | | |
| Net Commission | 145,582 | 235,132 |
| Exchange Gain | 197,796 | 127,259 |
| Income from Forex Transactions | 1,877 | 4,085 |
| Interest Income | 40,201 | 29,775 |
| Other Income | - | 143,916 |
| TOTAL INCOME | 385,456 | 540,167 |
| EXPENSE | | |
| Commission and Incentives | 43,104 | 73,157 |
| Payroll Expenses | 135,062 | 179,686 |
| Professional Fee | 11,387 | 20,399 |
| Utilities | 1,348 | 2,716 |
| Director's Fees | - | 4,000 |
| Depreciation | 3,209 | 2,425 |
| Telephone expenses | 4,996 | 6,578 |
| Postage | 213 | 288 |
| Legal and Filing Expenses | 4,961 | 25,753 |
| Bank Charges | 84,226 | 95,410 |
| Rent | 45,000 | 57,806 |
| Insurance | 5,768 | 6,349 |
| Software Expenses | 9,416 | 34,171 |
| Miscellaneous Expenses | 9,795 | 20,595 |
| Traveling Expense | 3,663 | 3,466 |
| Total Expenses | 362,148 | 532,799 |
| Net Income Before Taxes And Other Adjustments | 23,308 | 7,368 |
| Less: Provision For Taxes | - | - |
| Net Income After Taxes | 23,308 | 7,368 |

| STATEMENT OF RETAINED EARNINGS FOR THE YEAR ENDED DECEMBER 31, 2020 & 2019 | | |
|---|----------------|----------------|
| | 2020 | 2019 |
| | USD | USD |
| Balance January 1 | 230,123 | 222,755 |
| Net Income | 23,308 | 7,368 |
| Dividends paid | - | - |
| Balance December 31 | 253,431 | 230,123 |

| STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2020 & 2019 | | |
|--|------------------|------------------|
| | 2020 | 2019 |
| | USD | USD |
| Cash Flow From Operating Activities | | |
| Net Income/(Loss) | 23,308 | 7,368 |
| Add: Non-cash Items | | |
| Depreciation | 3,209 | 2,425 |
| Adjustments to reconcile net income to net cash provided | | |
| (Increase) / Decrease in Other Current Assets & Prepaid | -41,355 | -94,653 |
| (Increase) / Decrease in Advances made to Vendors | -2,051,848 | 863,184 |
| (Increase) / Decrease in Bank Guarantees | -34,422 | 1,228,488 |
| (Increase) / Decrease in Loans to Shareholders | 400,000 | -200,000 |
| (Increase) / Decrease in Loans to Muthoot Finance USA | -150,396 | -293,185 |
| Increase / (Decrease) in Accounts Payable/Other Current Liabilities | 1,651,488 | 245,033 |
| Net Cash Provided By Operating Activities | -200,016 | 1,758,662 |
| Cash Flow From Investing Activities | | |
| Net Cash Used For Investing Activities | 0 | -18,129 |
| Cash Flow From Financing Activities | | |
| Net Cash Provided By Financing Activities | - | - |
| Net Increase/(Decrease) In Cash And Cash Equivalents | -200,015 | 1,740,533 |
| Cash And Cash Equivalents At The Beginning Of The Year | 2,001,311 | 260,778 |
| Cash And Cash Equivalents At The End Of The Year | 1,801,296 | 2,001,311 |