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**Report
About the Audit of the
Annual Financial Statement as of 31st March 2020**

NIIT Technologies GmbH
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General Terms of Engagement for German Public Auditors and Auditing
Firms from 1st January 2017

List of Abbreviations

BilRUG	Bilanzrichtlinie-Umsetzungsgesetz = German Accounting Directives Implementation Act of 17th July 2015
BGB	Bürgerliches Gesetzbuch = German Civil Code
CHF	Swiss Francs
EGHGB	Introductory Act to the Commercial Code
EStG	Einkommensteuergesetz = Income Tax Act
EUR	Euro
GmbH	Limited Liability Company
GmbHG	German Limited Liability Company Act
GuV	Gewinn- und Verlustrechnung = Profit and Loss Statement
HGB	Handelsgesetzbuch = Commercial Code
HR	Handelsregister = Trade Register
[i. d. F.]	n/a
[i. S. d.]	n/a
IDW	Institut der Wirtschaftsprüfer in Deutschland e. V., Düsseldorf = Association of Public Auditors in Germany, Düsseldorf
IDW PS 400 n.F.	IDW Prüfungsstandard = IDW Examination Standard: Principles of the correct wording of auditor's reports in audits, new version (as of 30/11/2017)
IDW PS 450 n.F.	IDW Prüfungsstandard = IDW Examination Standard: Generally accepted reporting principles for audits of Annual Financial Statement, new version (as of 15/09/2017)
IKS	Internes Kontrollsystem = Internal Control System
PoC	Percentage of Completion
TCHF	Thousand Swiss Francs
TEUR	Thousand Euros
TUS-\$	Thousand American Dollars
UmwG	Umwandlungsgesetz = German Transformation Act
UR-Nr.	Urkundenrollen-Nummer = Notarial Register Number

I. Audit Assignment

The General Assembly of 18th June 2019 of the company

NIIT Technologies GmbH, Frankfurt am Main
(hereinafter also referred to as "Company")

chose us to be their auditors according to s.318 paragraph 1 HGB for the business year from 1st April 2019 to 31st March 2020. Thereupon, the executive board of the company engaged us to examine the **Annual Financial Statement of 31st March 2020** under inclusion of the company's accounting records which it was based on, in accordant application of the principles customary in the profession, and to submit a written report on the results of our examination. The letter of acceptance from 5th March 2020 was signed by the executive board.

According to the size parameters described in s.267(1) HGB, the company is classified as a **small company limited by shares** and therefore, according to s.316 seqq. HGB, the company is under **no obligation to have an audit done**.

There is no legal obligation to set up **Consolidated Accounts** and a **Group Management Report** for the member group of the company, as it does not fulfil the size criteria defined in s.293 HGB.

We confirm pursuant to s.321(4)(a) HGB that we have observed the applicable regulations on independence when we were doing this audit.

The following report also includes details on the method and extent of our examination, as well as on its results. The report has been prepared according to the generally accepted reporting principles for audits of Annual Financial Statements (IDW PS 450 as amended from time to time).

The execution of the audit and its results have been described in detail in **Parts III and IV**. The unqualified auditor's opinion issued subsequent to the audit can be found in **Part V**.

We have enclosed to our report the audited Annual Financial Report, consisting of the Balance Sheet (**Schedule 1**), the Profit and Loss Statement (**Schedule 2**) and the Annex (**Schedule 3**). **Schedule 4** includes the assignment of the unqualified auditor's opinion.

The execution of the engagement and our responsibilities – also in relation to third parties – was based on the “General Terms of Engagement for Public Auditors and Auditing Firms from 1st January 2017“, as agreed on and added as an **Schedule** to this report.

The present auditor’s report is addressed to the examined company.

II. Subject, Method and Extent of the Audit

Subject of our examination were the **bookkeeping** and the **Annual Financial Statement as of 31st March 2020** (Schedules 1 to 3) as well as the compliance with the applicable German legal regulations for accounting and the supplementary provisions of the articles of incorporation.

The executive board of the company is responsible for the accounting, the internal controls established for this purpose as well as the information provided to us. Our task is to assess the documentation and the information presented by the executive board within the frame of our dutiful examination.

We have executed the **auditing procedures** – with interruptions – in the month of April 2020 in the office rooms of the company in Monheim and in our office. After that, we have completed the audit report.

Starting point for our examination was the **Annual Financial Statement of the previous year as of 31st March 2019**, which we had examined and provided with an unqualified auditor's opinion on 9th April 2019. It was approved without any changes on 18th July 2019.

The **audited documents** were the accounting records, receipts, bank certificates as well as the company's files and correspondence.

All **information, clarifications and pieces of evidence** which we asked for were readily provided to us by the executive board and the employees nominated for providing us with information.

In addition to that, the executive board has confirmed to us in writing by the **customary management representation letter** that all assets, obligations, ventures and limitations which must be considered in the preparation of the balance sheet were accounted for, all expenses and income were included, all required information was provided and all existing guarantees and other commitments were disclosed in the accounting and the financial report which are the subject of this audit.

During the **execution of our audit**, we followed the provisions of the commercial law pursuant to s.316 seqq. HGB and the **generally accepted auditing principles** laid down in the Examination Standards of the IDW. According to these, our audit focussed on problem areas – however, without specifically searching for any cases of embezzlement – and we designed it in such a way that we would be able to unmistakably detect any irregularities and

violations of the legal provisions that could significantly affect the accurate presentation of the actual situation with regard to the company's assets, finances and earnings.

The examination was based on the **planning of the focus points of the audit** under consideration of our preliminary assessment of the situation of the company and of the estimated effectiveness of the internal accounting control system (IKS). The estimates were mainly based on information about the legal and economic frame conditions. We were familiar with the risks of the industry, the corporate strategy and the resulting business risks from the examination of previous year's financial statement as well as from conversations with the executive board and with employees of the company.

Our audit did not extend to assure the company's continuance of operation or the effectiveness of the executive board .

According to the risk areas determined in the course of the planning of the examination, we chose to place the **main emphasis of the examination** on the following matters:

- Development of assets, particularly a review of the additions and deductions as well as the calculation of depreciation values
- Assessment of reserves according to the development of the individual reserve or accruals items and examination of existing supplies and consumption / closing rates as well as balancing with the profit and loss statement
- Intrinsic value of claims
- Going concern

Starting out from an assessment of IKS, we then determined the further **auditing procedures** after the principles of significance and economy. Both the method and extent of the analytical auditing procedures as well as the examination steps leading to statements were therefore performed under consideration of the significance of the examined areas and the organisation of the accounting. The selection took into account the economic significance of the individual items of the Annual Financial Statement and enabled us to examine whether the legal regulations for accounting had been sufficiently complied with.

We have performed mainly the **auditing procedures** listed below:

- We have checked the additions and deductions of the **tangible fixed assets** and the **intangible assets** by means of the original invoices as well as the depreciation rates.
- We have verified the actual existence of the **trade accounts payable and receivable** by random requests for presentation of proof showing the current balances. Further, we have checked their intrinsic value by comparing them with the open accounts at the time of the audit.
- **Accounts payable and accounts receivable** were verified by means of the original documents. The valuation was checked. Set-off accounts with affiliated companies were compared with each other.
- The **liquid funds** were verified by means of cash registers and bank account statements. Bank confirmations were obtained for the period up to 31st March 2020.
- The **accruals and deferrals** were made by entering the income and expense records into the books already in the course of the year. We have checked the calculation of the monthly amount. Within the frame of the plausibility check of the Profit and Loss Statement we examined whether there is a need for further adjustments.
- In the **area of the reserves**, we have viewed the relevant documents and checked the mathematical calculations. We have consulted lawyers.
- We have checked the **Profit and Loss Statement** for its plausibility, correct delimitation of the year, completeness and documentation. We have requested and viewed individual documents.
- We have checked the **Notes** for their completeness and compliance with the Balance Sheet as well as with the Profit and Loss Statement.

We have documented the method, extent and results of the individual auditing procedures in our **exposure drafts**.

III. Findings and Explanations to the Accounting

1. CORRECTNESS OF ACCOUNTING

1.1. ACCOUNTING RECORDS AND OTHER EXAMINED DOCUMENTATION

The company's accounting (**financial accounting and asset management accounting**) is based on their own EDP equipment using SAP R/3 software developed by SAP AG.

The company prepares the **asset management accounting and the payroll administration** and processes it by means of SAP AG software or, respectively, DATEV software.

The **internal accounting control system (IKS)** which the company has established is based on regulations appropriate to the purpose and extent of the business and provides efficient control of the organisation and performance of work procedures.

The **organisation of the accounting** and the internal control system based on the dates of invoicing, allow a complete, correct, timely and orderly registration and entry of all business operations. The **account plan** is sufficiently structured, the **evidence files** are laid out clearly and easy to find. The books had been started correctly with the figures from the previous annual balance which we had checked. For the whole period of the business year, the bookkeeping has complied with the generally accepted accounting principles.

The information derived from **other examined documentation** supported an orderly reflection of the company's situation in the accounting records and the Annual Financial Statement.

Altogether, based on our findings, we believe that **the accounting records and other examined documentation** (including the document system, internal control system, cost accounting and budgeting) comply with the legal regulations, including the generally accepted accounting principles and the supplementary provisions of the articles of incorporation.

1.2. ANNUAL FINANCIAL STATEMENT

On the reporting date, the company is to be classified as a **small company limited by shares** within the meaning of s.267(1) HGB. The Annual Financial Statement as of 31st March 2020 has been set up in accordance to the applicable legal regulations, including the regulations specific to the legal structure of the company and the supplementary provisions of the articles of incorporation.

The company has made partial use of the **easements** depending on the company size when setting up the Annual Financial Statement (s.274a, 276 and 288 HGB).

The Balance Sheet and the Profit and Loss Statement have been properly based on the accounting records and the other examined documentation. The structure of the **Balance Sheet (Schedule 1)** follows the scheme after s.266(2) and (3) HGB. The **Profit and Loss Statement (Schedule 2)** has been set up after the procedures of total costs according to s.275(2) HGB. As far as the law allows **choices for the presentation** of the Balance Sheet or the Profit and Loss Statement, the respective explanations have been mostly given in the Annex.

In the **Annex (Schedule 3)**, the company has sufficiently explained the balancing and valuation methods used for the set-up of the Balance Sheet and the Profit and Loss Statement. All legally required individual details as well as the optional information in the Annex regarding the Balance Sheet as well as the Profit and Loss Statement, are complete and correct.

Therefore, according to our findings, the Annual Financial Statement complies with the legal regulations, including the generally accepted accounting principles and the supplementary provisions of the articles of incorporation.

1.3. MANAGEMENT REPORT

The preparation of a management report has been waived of pursuant to s.264(1.4) HGB.

2. OVERALL RESULT OF THE ANNUAL FINANCIAL STATEMENT

2.1. NOTES ON THE OVERALL RESULTS OF THE ANNUAL FINANCIAL STATEMENT

According to s.321(2.3) HGB, the audit shall state whether the **overall Annual Financial Statement** has been prepared in accordance to the generally accepted accounting principles and whether it reflects the actual situation of the assets, finances and income situation of the company. What is to be assessed is the overall picture presented by the combination of the individual components, which are the Balance Sheet, the Profit and Loss Statement as well as the Annex.

Our examination has shown that the overall Annual Financial Statement, i.e. **the sum of the declarations made in the annual statement** – as it results from the synergy of the Balance, the Profit and Loss Statement and the Annex – has been prepared in accordance to the generally accepted accounting principles and accurately reflects the actual situation of the assets, finances and income of the company (s.264(2) HGB).

Part 2.2. explains how the general interpretation of the Annual Financial Statement “in accordance to the generally accepted accounting principles” is influenced by legitimate decisions concerning the balancing and the valuation.

2.2. SIGNIFICANT FEATURES FOR THE ASSESSMENT AND THEIR CHANGES

1. Handling of Leasing Agreements

From the report year 2008 / 2009 on, new leasing agreements are classified, according to the guidelines of the parent company, as either:

- Finance lease; or
- Operating lease.

Correspondingly - in essence, also with the fiscal leasing enactments - leasing agreements are classified as **finance lease** if this condition is present:

- All and any risks and titles of the proprietor have been transferred to the lessor.

The leasing object is capitalised and depreciated. At the same time, a liability of the same amount is entered on the liabilities side. The leasing payments are divided in an interest and repayment portion. Per 31st March 2020, **no** agreements were capitalised. The leasing liabilities were valued at TEUR 0 on 31st March 2020. In the business year 2019 / 2020, **no** new leasing agreements classified as finance lease were entered into.

IV. Rendition of the Auditor's Report and Conclusion

After the final result of my examination I have provided the Annual Financial Statement of 31st March 2020 (Schedules 1 to 3) of NIIT Technologies GmbH, Frankfurt am Main with the below unqualified audit opinion on 9th April 2020, according to **Schedule 4**, with this wording:

”OPINION OF THE INDEPENDENT AUDITOR

To NIIT Technologies GmbH, Frankfurt am Main

Audit result

I have audited the Annual Financial Statement of NIIT Technologies GmbH, Frankfurt am Main – consisting of the Balance Sheet of 31st March 2020 and the Profit and Loss Statement for the business year from 1st April 2019 to 31st March 2020 as well as the Annex, including the description of the balancing and auditing methods.

According to my evaluation of the findings of the audit, the enclosed Annual Financial Statement complies in all material respects with the regulations of the German commercial law applicable to corporations and represents, in compliance with the German generally accepted accounting principles, the actual position of the company with regard to its assets and its financial situation on 31st March 2020, as well as with regard to its earnings during the business year from 1st April 2019 to 31st March 2020.

In accordance with s.322 (3.1) HGB I declare that my examination has not led to any objections with regard to the orderly preparation of the Annual Financial Statement.

Basis of the audit result

I have performed my audit of the Annual Financial Statement in accordance to s.317 HGB under consideration of the German Standards of Auditing Practice for Annual Financial Statements, published by the Institute of German Public Auditors and Auditing Firms (IDW). My responsibility according to these regulations and principles is described in the section “Auditor’s responsibility for the examination of the annual financial report” included in my auditor’s opinion.

In agreement with the German regulations of the commercial law and the professional code, I am independent from the company and have fulfilled any of my professional duties in accordance with these requirements. I believe that the auditing results that I have obtained, are sufficient and suitable to serve as a basis for the auditor's opinion of the annual financial report.

Responsibility of the legal representatives for the Annual Financial Statement

The legal representatives are responsible for drawing up an Annual Financial Statement that complies in all material respects with the regulations of the German commercial law applicable to corporations and that it represents, in compliance with the German generally accepted accounting principles, the actual position of the company with regard to its assets, its financial situation and its earnings. Furthermore, the legal representatives are responsible for the internal controls which they have determined to be necessary, in accordance with the German generally accepted principles of accounting, in order to enable the preparation of an Annual Financial Statement free of material – intended or unintended – misrepresentations.

When drawing up the Annual Financial Statements, the legal representatives are responsible for assessing the company's ability to continue its business operations. They also have a responsibility to disclose matters relating to the continuation of the company's activities, where relevant. In addition, they are responsible to prepare a balance sheet based on the accounting principle of the continuation of the company's business operations, unless prevented by actual or legal circumstances.

The auditor's responsibility for the audit of the Annual Financial Statements

My objective is to obtain sufficient certainty as to whether the Annual Financial Statements as a whole is free of material – intended or unintended – misrepresentations, and to issue an auditor's opinion containing my opinion about the examination of the Annual Financial Statement.

Sufficient security is a high level of security, but not a guarantee that an audit, carried out in accordance with s.317 HGB under consideration of the generally accepted reporting principles of accounting as determined by the Association of Public Auditors in Germany (IDW) will always uncover a material misrepresentation.

Misrepresentations may result from violations or inaccuracies and are considered material if they could be reasonably expected to have an impact on the addressees' commercial decisions based on this financial statement, be it its individual items or the statement as a whole.

During the examination, I exercise dutiful discretion and maintain a critical attitude. In addition to that,

- I identify and assess the risks of material – intended or unintended – false representations in the Annual Financial Statements; I plan and conduct audit actions in response to these risks and collect evidence that is sufficient and suitable to serve as a basis for my opinion. The risk that material misrepresentations will not be detected is higher in the event of violations than in the case of inaccuracies, since violations can involve fraudulent interaction, forgeries, intended incompletions, misleading representations or abrogation of internal controls.
- I gain an understanding of the internal control system relevant to the audit of the Annual Financial Statement in order to plan audit actions that are appropriate in the circumstances, but not with the aim of issuing an audit opinion on the effectiveness of these systems of the company.
- I assess the adequacy of the accounting methods used by the legal representatives, as well as the representability of the values and related information estimated and presented by the legal representatives.
- I draw conclusions as to the adequacy of the accounting principle of the continuation of the company's activities applied by the statutory representatives and, on the basis of the audit evidence obtained, whether there is a material uncertainty in connection with events or circumstances that may cast significant doubt on the ability of the company to continue operating. If I conclude that there is a material uncertainty, I am obliged to draw attention to the related information in the Annual Financial Statement in the auditor's opinion or, if such information is inappropriate, to modify my respective opinion. I draw my conclusions on the basis of the audit evidence obtained by the date of the issuance of my auditor's opinion. However, future events or circumstances may cause that the company may no longer be able to continue its business activities.

- I assess the overall presentation, structure and content of the financial statement, including the information provided therein, and whether the Annual Financial Statement represents the underlying business transactions and events in such a way that it provides a true and fair representation of the company's actual position with regard to its assets, finance and earnings, taking into account the German generally approved accounting principles.

I discuss with the officers responsible for monitoring my activities, among other things, the planned scope and timing of the audit, as well as significant audit findings, including any deficiencies found in the internal control System that I identify during my audit.”

I prepare this audit report in accordance with the legal requirements and in accordance with the German principles of the proper reporting of final audits (IDW PS 450 as amended from time to time).

Any use of the above auditor’s opinion outside of this audit report requires my prior approval. In the event that the Annual Financial Statements and/or management report are published and/or forwarded in a form different from the confirmed version (including its translation into other languages), it is necessary to obtain a new statement from me beforehand, if my auditor’s opinion is cited or referred to within; to this end, reference is made to s.328 of the German Civil Code.

Baden-Baden, dated

Schedules

BALANCE SHEET

ASSETS

	31.03.2020		31.03.2019	
	EUR	INR	EUR	INR
A. FIXED ASSETS				
I. Intangible assets				
1. Industrial property rights and similar rights and privileges as well as licenses based on such rights and values	1,409.97	117,140.31	1,056.17	82,105.28
II. Tangible assets				
1. Other assets, fixtures and fittings	38,083.34	3,163,963.89	43,036.23	3,345,580.57
III. Financial assets				
1. Shares in affiliate companies				
B. CURRENT ASSETS				
I. Accounts receivable and other assets				
1. Trade accounts receivable	1,368,654.51	113,707,816.69	1,180,766.59	91,791,259.71
2. Claims from percentage-of-completion				
2. Claims against affiliated companies	51,708.20	4,295,917.26	71,129.57	5,529,520.30
3. Other assets	143,394.33	11,913,200.94	2,180.50	169,509.24
II. Cash balance, bank deposits	1,484,079.66	123,297,338.15	1,491,642.77	115,958,369.80
C. ACCOUNT ADJUSTMENTS	103,581.16	8,605,522.77	119,248.76	9,270,243.58
D. CAPITALISED DEFERRED TAXES				
	3,190,911.17	265,100,900.00	2,909,060.59	226,146,588.49

PER 31st MARCH 2020

LIABILITIES

	31.03.2020		31.03.2019	
	EUR	INR	EUR	INR
A. EQUITY				
I. Subscribed capital	537,900.00	44,688,732.00	537,900.00	41,815,646.73
II. Capital reserves	682,330.60	56,688,026.25	682,330.60	53,043,493.81
III. Balance Profit / balance loss	499,568.47	41,504,148.49	261,727.48	20,346,354.05
B. RESERVES				
1. Tax provisions	34,342.00	2,853,133.36	31,046.59	2,413,521.55
2. Other reserves	249,802.05	20,753,554.31	131,743.11	10,241,538.11
C. LIABILITIES				
1. Trade accounts payable	32,900.47	2,733,371.05	24,375.17	1,894,894.03
2. Liabilities to affiliated companies	944,080.82	78,434,234.53	986,174.69	76,663,938.37
3. Other liabilities	65,053.49	5,404,643.95	59,974.47	4,662,337.33
thereof taxes: EUR 128971.21 (previous year: EUR 171427.59)				
thereof for social security payments EUR 0.00 (previous year: EUR 0.00)				
D. ACCRUALS AND DEFERRALS	144,933.27	12,041,056.07	193,788.48	15,064,864.51
	3,190,911.17	265,100,900.00	2,909,060.59	226,146,588.49

Profit and Loss Statement
for the period from 1st April 2019 to 31st March 2020

	01.04.2019 - 31.03.2020		01.04.2018 - 31.03.2019	
	EUR	INR	EUR	INR
1. Sales revenue	7,894,480.16	619,400,913.35	6,722,898.70	543,658,016.04
2. Other business income	318,840.28	25,016,208.37	299,090.05	24,186,397.93
	8,213,320.44	644,417,121.72	7,021,988.75	567,844,413.97
3. Material expenditures				
a) Expenses for received services	(4,433,718.54)	(347,869,556.65)	(2,968,528.39)	(240,054,822.64)
4. Gross result	3,779,601.90	296,547,565.07	4,053,460.36	327,789,591.33
5. Expenses for staff				
a) Wages and salaries	(2,174,459.65)	(170,608,104.14)	(2,656,188.23)	(214,796,933.26)
b) Social contributions and payments for old-age pension insurance and for support; thereof for old-age pension EUR 1282.44 (Previous year: EUR 8674.86)	(350,124.63)	(27,470,778.47)	(448,595.74)	(36,276,416.01)
6. Depreciation				
a) On intangible fixed assets and tangible assets	(8,299.44)	(651,174.06)	(12,256.43)	(991,135.92)
b) On current assets, as far as they exceed the depreciation rates customary in the company			-	-
7. Other business expenses	(789,118.30)	(61,914,221.82)	(704,538.49)	(56,973,638.13)
8. Result from business operation	457,599.88	35,903,286.58	231,881.47	18,751,468.01
9. Earned interest and similar income	-	-	8,787.41	710,608.04
11. Paid interest and similar expenses	(3,836.33)	(300,998.45)	(537.21)	(43,442.35)
12. Financial result	453,763.55	35,602,288.13	240,131.67	19,418,633.71
13. Result from ordinary business operation	453,763.55	35,602,288.13	240,131.67	19,418,633.71
14. Taxes on income and profit				
	(215,922.56)	(16,941,284.06)	(75,554.83)	(6,109,862.85)
15. Annual surplus / annual deficit	237,840.99	18,661,004.08	164,576.84	13,308,770.86
16. Profit/Loss carried forward from the previous year	261,727.48	20,535,138.08	97,150.64	7,856,242.75
17. Balance Loss	499,568.47	39,196,142.16	261,727.48	21,165,013.62

Annex for the Business Year 2019 / 2020
S.284 HGB seqq.

A. General Information

NIIT Technologies GmbH is headquartered in **Frankfurt am Main** and is registered with the Commercial Register at the **Frankfurt am Main Local Court** with the register number **HRB 96968**.

The **Annual Financial Statement** has been set up based on the legal regulations after s.238 seqq. HGB, as amended by the **Accounting Directive Implementation Act (Bilanzrichtlinie-Umsetzungsgesetz, BilRUG)**.

The **supplementary regulations** for publicly listed companies after s.264 HGB seqq. have been adhered to. At the reporting date, the company has a size classifying it as a **small company limited by shares** according to s.267 paragraph 1 HGB. The company has made partly use of the size-dependent easements after s.288 HGB.

B. Information on the Balancing and Valuation Methods

The **applied balancing and valuation methods** are, by principle, based on the regulations of the commercial law and, as far as possible, of the tax law. This applies to the following principles and methods:

Assets

The **intangible assets as well as the tangible assets** are valued with their original cost of acquisition or production and are, if they are subject to wear and tear, reduced by the **scheduled depreciation** rate in accordance to their useful life. The useful life of the individual assets is estimated on the basis of the minimum values in the depreciation tables used for fiscal purposes, unless the expected useful life differs.

All assets are depreciated linearly. The depreciation of additions to the tangible assets is calculated month by month, starting with the date of the addition.

Accounts receivable and other assets are, by principle, shown with their nominal value. To already recognisable risks, accounting responds with adjustments of individual values.

The **liquid funds** have been given with their nominal value.

The **accruals and deferrals on the asset side** include prepayments for future periods delimited pro rata temporis.

Liabilities

The **tax reserves and other reserves** have been reasonably considered with recognisable risks and uncertain liabilities as well as possibly impending losses from pending transactions in mind. They have been established with their appropriate settlement amounts as necessary after reasonable economic assessment (i.e. including future increases of cost and prices).

All the **liabilities** have been given with their settlement rates.

The **accruals and deferrals on the liabilities side** include received prepayments on delimited pro rata temporis.

C. Information on the Balance Sheet

The **Balance Sheet** is structured in account form according to s.266 (2) and (3) HGB.

The development of the fixed assets in the business year 2019 / 2020 is illustrated in the **Table of Assets** - s.268(2) HGB. It has been enclosed hereto as a Schedule.

The **claims against affiliated companies** are trade accounts receivable.

The **balance profit** includes losses carried forward of TEUR 262 (previous year: losses carried forward TEUR 97).

The **other reserves** are mainly for liabilities resulting from pending invoices, holiday claims, incentive payments, contributions to the employers' liability insurance association and auditing costs.

The **liabilities** include liabilities with a remaining period of up to one year in an amount of TEUR 1,042 (previous year: TEUR 1,070). The **liabilities to affiliated companies** include liabilities of TEUR 944 (previous year: TEUR 986) from trade accounts payable. The liabilities to affiliated companies in the amount of TEUR 419 (previous year: TEUR 372) are **liabilities to shareholders**.

The **other financial obligations** within the meaning of s.285(3) HGB as of 31st March 2020 amount to TEUR 100 (previous year: TEUR 103) for the upcoming business year. For the business years after that, the financial obligations amount to TEUR 24 (previous year: TEUR 60).

D. Information on the Profit and Loss Statement

The **Profit and Loss Statement** has been set up according to s.275(2) HGB after the total cost procedure. Beside this, the company does not balance expenditures against earnings.

E. Other Mandatory Information

On the average, the company employed 30 employees (previous year: 33) throughout the business year.

Executive Board

Throughout the past business year, the **executive board** was represented by:

Mr Gautam Samanta	-	Master of Business Administration – Head Continental Europe (from 4 th December 2019)
Mr Neeraj Kumar Mathur	-	Senior Vice President – Head Continental Europe (until 4 th December 2019)
Mr Ashok Kumar Talwar	-	Merchant

The Company's Annual Financial Statement will be incorporated in the Group's Consolidated Annual Financial Statements of NIIT Technologies Limited, New Delhi/India (parent company) as of 31st March 2020 (smallest and largest consolidation circle). The Group's Consolidated Annual Financial Statements are published in India in the Companies Register of New Delhi as well as on the website NIIT.com.

Supplementary Report

As **events of particular significance** that have occurred after the end of the business year, the rapid spreading of the coronavirus and its impact on world economy must be mentioned. The consequences of this development and the connected changes to the sales and revenue goals of 2020 / 2021 cannot be assessed at this time. The executive board expects a drop in sales in the amount of TEUR 526 in the first two quarters of the new business year. The operating cost has been reduced accordingly. The company's good position in terms of assets and finance facilitated a fast response.

Appropriation of Earnings

The annual financial report has been set up in consideration of the complete appropriation of earnings. The financial year 2019 / 2020 ends with an annual surplus in the amount of TEUR 238.

Frankfurt am Main, on 17th April 2020

The Executive Board

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Gautam Samanta

		Purchase/Production Cost								Depreciation								Remaining Book Values								
		01-04-2019		Additions		Deductions		Adjusting entries	Currency Translation Reserve	31-03-2020		01-04-2019		Additions		Deductions		Adjusting entries	Currency Translation Reserve	31-03-2020		31-03-2020		31-03-2019		
		EUR	INR	EUR	INR	EUR	INR	EUR		EUR	INR	EUR	INR	EUR	INR	EUR	INR	EUR		EUR	INR	EUR	INR	EUR	INR	
I	Intangible assets																									
	1. Industrial property rights and similar rights and privileges as well as licenses based on such rights and values	56,479.29	4,308,628.59	1,272.69	99,954.47	0.00	0.00	0.00	307,592.61	57,751.97	4,786,033.67	55,423.12	4,308,621.31	919.89	72,095.32	0.00	0.00	0.00	300,276.74	56,942.00	4,680,893.36	1,409.97	117,149.21	1,056.17	82,185.29	
	2. Goodwill of the business	257,737.57	20,036,193.63	0.00	0.00	0.00	0.00	0.00	1,376,653.68	257,737.57	21,412,837.32	257,737.57	20,036,193.63	0.00	0.00	0.00	0.00	0.00	1,376,653.68	257,737.57	21,412,837.32	0.00	0.00	0.00	0.00	
		314,216.86	24,426,819.12	1,272.69	99,954.47	0.00	0.00	0.00	1,684,206.30	315,489.54	26,210,870.99	313,160.69	24,344,774.93	919.89	72,095.32	0.00	0.00	0.00	1,676,930.42	314,079.57	26,093,730.68	1,409.97	117,149.21	1,056.17	82,185.29	
II	Tangible assets																									
	1. Other assets, fixtures and fittings	101,066.35	7,859,766.69	2,427.67	191,474.99	2,659.62	224,355.79	0.00	89,098.52	103,524.40	8,361,705.35	50,093.12	4,511,166.09	7,380.59	579,070.74	2,659.62	224,355.79	0.00	(117,688.55)	62,551.06	5,196,742.06	38,002.24	1,163,903.69	43,036.23	3,345,593.57	
				0.00	0.00			0.00		0.00		0.00			0.00			0.00		0.00		0.00		0.00	0.00	
		415,202.21	32,286,576.80	3,700.36	289,329.46	2,659.62	224,355.79	0.00	1,773,304.81	418,123.24	34,571,576.34	371,188.80	28,858,891.02	8,269.44	650,174.00	2,659.62	224,355.79	0.00	1,559,841.87	378,600.63	31,226,472.74	39,488.27	3,281,194.49	46,892.40	3,427,885.86	

OPINION OF THE INDEPENDENT AUDITOR

To NIIT Technologies GmbH, Frankfurt am Main

Audit result

I have audited the Annual Financial Statement of NIIT Technologies GmbH, Frankfurt am Main – consisting of the Balance Sheet of 31st March 2020 and the Profit and Loss Statement for the business year from 1st April 2019 to 31st March 2020 as well as its Schedules, including the description of the balancing and auditing methods.

According to my evaluation of the findings of the audit, the enclosed Annual Financial Statement complies in all material respects with the regulations of the German commercial law applicable to corporations and represents, in compliance with the German generally accepted accounting principles, the actual position of the company with regard to its assets and its financial situation on 31st March 2020, as well as with regard to its earnings during the business year from 1st April 2019 to 31st March 2020.

In accordance with s.322 (3.1) HGB I declare that my examination has not led to any objections with regard to the orderly preparation of the Annual Financial Statement.

Basis of the audit result

I have performed my audit of the Annual Financial Statement in accordance to s.317 HGB under consideration of the German Standards of Auditing Practice for Annual Financial Statements, published by the Institute of German Public Auditors and Auditing Firms (IDW). My responsibility according to these regulations and principles is described in the section “Auditor’s responsibility for the examination of the annual financial report” included in my auditor’s opinion.

In agreement with the German regulations of the commercial law and the professional code, I am independent from the company and have fulfilled any of my professional duties in accordance with these requirements. I believe that the auditing results that I have obtained, are sufficient and suitable to serve as a basis for the auditor’s opinion of the annual financial report.

Responsibility of the legal representatives for the Annual Financial Statement

The legal representatives are responsible for drawing up an Annual Financial Statement that complies in all material respects with the regulations of the German commercial law applicable to corporations and that it represents, in compliance with the German generally accepted accounting principles, the actual position of the company with regard to its assets, its financial situation and its earnings. Furthermore, the legal representatives are responsible for the internal controls which they have determined to be necessary, in accordance with the German generally accepted principles of accounting, in order to enable the preparation of an Annual Financial Statement free of material – intended or unintended – misrepresentations.

When drawing up the Annual Financial Statements, the legal representatives are responsible for assessing the company's ability to continue its business operations. They also have a responsibility to disclose matters relating to the continuation of the company's activities, where relevant. In addition, they are responsible to prepare a balance sheet based on the accounting principle of the continuation of the company's business operations, unless prevented by actual or legal circumstances.

The auditor's responsibility for the audit of the Annual Financial Statement

My objective is to obtain sufficient certainty as to whether the Annual Financial Statements as a whole is free of material – intended or unintended – misrepresentations, and to issue an auditor's opinion containing my opinion about the examination of the Annual Financial Statement.

Sufficient security is a high level of security, but not a guarantee that an audit, carried out in accordance with s.317 HGB under consideration of the generally accepted reporting principles of accounting as determined by the Association of Public Auditors in Germany (IDW) will always uncover a material misrepresentation.

Misrepresentations may result from violations or inaccuracies and are considered material if they could be reasonably expected to have an impact on the addressees' commercial decisions based on this Annual Financial Statement, be it its individual items or the statement as a whole.

During the examination, I exercise dutiful discretion and maintain a critical attitude.

In addition to that,

- I identify and assess the risks of material – intended or unintended – false representations in the Annual Financial Statements; I plan and conduct audit actions in response to these risks and collect evidence that is sufficient and suitable to serve as a basis for my opinion. The risk that material misrepresentations will not be detected is higher in the event of violations than in the case of inaccuracies, since violations can involve fraudulent interaction, forgeries, intended incompletions, misleading representations or abrogation of internal controls.
- I gain an understanding of the internal control system relevant to the audit of the Annual Financial Statement in order to plan audit actions that are appropriate in the circumstances, but not with the aim of issuing an audit opinion on the effectiveness of these systems of the company.
- I assess the adequacy of the accounting methods used by the legal representatives, as well as the representability of the values and related information estimated and presented by the legal representatives.
- I draw conclusions as to the adequacy of the accounting principle of the continuation of the company's activities applied by the statutory representatives and, on the basis of the audit evidence obtained, whether there is a material uncertainty in connection with events or circumstances that may cast significant doubt on the ability of the company to continue operating. If I conclude that there is a material uncertainty, I am obliged to draw attention to the related information in the Annual Financial Statement in the auditor's opinion or, if such information is inappropriate, to modify my respective opinion. I draw my conclusions on the basis of the audit evidence obtained by the date of the issuance of my auditor's opinion. However, future events or circumstances may cause that the company may no longer be able to continue its business activities.
- I assess the overall presentation, structure and content of the financial statement, including the information provided therein, and whether the Annual Financial Statement represents the underlying business transactions and events in such a way that it provides a true and fair representation of the company's actual position with regard to its assets, finance and earnings, taking into account the German generally approved accounting principles.

I discuss with the officers responsible for monitoring my activities, among other things, the planned scope and timing of the audit, as well as significant audit findings, including any deficiencies found in the internal control system that I identify during my audit.

Baden-Baden, dated