

**360 ONE INC.
(f/k/a IIFL INC.)**

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT**

March 31, 2023

**360 ONE INC.
(f/k/a IIFL INC.)**

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YSL & Associates LLC

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Shareholder of
360 ONE Inc.

Opinion

We have audited the accompanying financial statements of 360 ONE Inc. (the "Company"), which comprise the statement of financial condition as of March 31, 2023, and the related statements of operations, changes in shareholder's equity, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve

collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

YSL & Associates LLC

New York, NY
April 24, 2023

360 ONE Inc. (f/k/a IIFL Inc.)

Statement of Financial Condition March 31, 2023

Assets

Cash	\$ 275,810
Due from affiliated company	2,928
Total assets	<u>\$ 278,738</u>

Liabilities and Stockholders' Equity

Accounts payable and other accrued liabilities	\$ 21,239
Total liabilities	<u>21,239</u>
Stockholder's equity:	
Common stock, \$0.01 par value. Authorized 1,000 shares; issued and outstanding 140 shares	1
Additional paid-in capital	1,029,499
Accumulated deficit	(772,001)
Total stockholder's equity	<u>257,499</u>
Total liabilities and stockholder's equity	<u>\$ 278,738</u>

The notes to financial statements are an integral part of this statement

360 ONE Inc. (f/k/a IIFL Inc.)

Statement of Operations For the Year Ended March 31, 2023

Revenue	
Service fee income	\$ -
Expenses	
Professional fees	21,110
Other	60
Total expenses	<u>21,170</u>
Loss before provision for income taxes	(21,170)
Income tax expense	3,453
Net loss	<u><u>\$ (24,623)</u></u>

The notes to financial statements are an integral part of this statement

360 ONE Inc. (f/k/a IIFL Inc.)

Statement of Changes in Stockholder's Equity For the Year Ended March 31, 2023

	<u>Shares</u>	<u>Common Stock</u>	<u>Additional Paid-in Capital</u>	<u>Accumulated (Deficit)</u>	<u>Total Stockholder's Equity</u>
Balance, April 1, 2022	140	\$ 1	\$ 1,029,499	\$ (747,378)	\$ 282,122
Net loss		-	-	(24,623)	(24,623)
Balance, March 31, 2023	<u>140</u>	<u>\$ 1</u>	<u>\$ 1,029,499</u>	<u>\$ (772,001)</u>	<u>\$ 257,499</u>

The notes to financial statements are an integral part of this statement

360 ONE Inc. (f/k/a IIFL Inc.)

Statement of Cash Flows For the Year Ended March 31, 2023

Cash flows from operating activities:

Net loss	\$ (24,623)
Adjustments to reconcile net loss to net cash provided by operating activities:	
Changes in operating assets and liabilities:	
Increase in due from affiliated company	(584)
Increase in accounts payable and accrued expenses	4,000
Total adjustments	<u>3,416</u>
Net cash used in operating activities	(21,207)
Net decrease in cash	(21,207)
Cash at beginning of year	<u>297,017</u>
Cash at end of year	<u>\$ 275,810</u>
Supplemental disclosure of cash flow information	
Cash paid during the year for taxes	<u>\$ 3,453</u>

The notes to financial statements are an integral part of this statement

360 ONE Inc. (f/k/a IIFL Inc.)

Notes to Financial Statements Year Ended March 31, 2023

1. Organization

360 ONE Inc. (f/k/a IIFL Inc.) (“the Company”) is a wholly owned subsidiary of 360 ONE WAM Limited., Mumbai, India (Parent). The Company was incorporated under the law of New York in 2008. On March 9, 2023 (“Date of Conversion”), the Company changed its name from IIFL Inc. to 360 ONE Inc. The Company provides general operational and administrative support for the affiliate entities in the US.

2. Significant Accounting Policies

a) Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

b) Cash

All cash deposits are held by one financial institution and therefore are subject to the credit risk at that financial institution. The cash deposits with the financial institution may, at times, exceed federal insurance limit of \$250,000; however, the Company has not experienced any losses in such account and does not consider itself to be at risk with respect to its cash deposits.

c) Income Taxes

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for expected future tax consequences of events that have been included in the financial statements. Under this method deferred tax assets and liabilities are determined based on the differences between the financial statements and tax basis of assets and liabilities using enacted tax rates in effect for the year the differences are expected to reverse. The effect of the change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date. Deferred tax assets and liabilities are recognized subject to management’s judgment that realization is more likely than not.

3. Related Party Transactions

The Company maintains an administrative services agreement with an affiliated entity in the US, whereby the Company is to provide certain supporting services. In the year 2023, the Company was inactive and only incurred minor administrative expenses. The total billing to the affiliate was \$583 during the year and the balance due from affiliated company was \$2,928 as of March 31, 2023.

4. Off-Balance-Sheet Risk, Concentration Risk and Credit Risk

The Company’s policy is to continuously monitor its exposure to market and counterparty risk by using a variety of financial, position and credit exposure reporting and control procedures. In addition, the Company has a policy of reviewing the credit standing of each customer and/or other counterparty with which it conducts business.

360 ONE Inc. (f/k/a IIFL Inc.)

Notes to Financial Statements Year Ended March 31, 2023

5. Income Taxes

As of March 31, 2023, the Company has net operating loss carryforwards of approximately \$800,000 for federal and state income tax purposes that are available to offset future taxable income. The net operating loss carryforwards gives rise to a deferred tax asset is fully reduced by a valuation allowance account.

The Company determined that the Company had no uncertain tax positions that would require financial statement recognition as of March 31, 2023.

6. Subsequent Event

Management of the Company has evaluated subsequent events through auditor's report date, which is the date the financial statements are available to be issued. The Management has determined that no material events have occurred which would require disclosure in the financial statements.