

COMPONENT AUDITOR SUMMARY MEMORANDUM

[Items with a “*” denote “significant matters [significant findings or issues].”]

Group Name:	Alpha Rank Limited	Period End:	30 June 2022
Component Name:	Cosmopolitan Industries Pvt. Limited (CIPL)		

This summary memo should be read in combination with supporting appendixes referenced herein. See responses below for references to additional supporting information.

SCOPE OF WORK PERFORMED

Did you include within your procedures all of the account balances, classes of transactions, disclosures, and controls communicated in the Referral Instructions?

☒ Yes

☐ No

If No, list exceptions of account balances, classes of transactions, or disclosures from those communicated in the Referral Instructions and explain rationale for exclusion. If Yes, insert “not applicable” below.

Not applicable

SIGNIFICANT CHANGES IN THE COMPONENT AND ITS ENVIRONMENT

Have there been any significant changes in the component, its environment, or its industry that occurred subsequent to the completion of the audit planning memorandum?

☐ Yes

☒ No

If Yes, describe the significant changes including if these changes affected the overall strategy or your audit plan. If No, insert “not applicable” below.

Not applicable

CONCLUSION ABOUT OUR ASSESSMENT OF ENGAGEMENT RISK*

Have there been any changes to engagement risk determined at planning?

☐ Yes

☒ No

If Yes, document any information obtained during the audit that resulted in a change to engagement risk and the resulting effect of your reassessment on the audit plan. If No, insert “not applicable” below.

Not applicable

Has the engagement been assessed with an engagement risk of greater-than-normal or much-greater-than-normal?

☐ Yes

☒ No

If Yes, document the results of the audit procedures performed in accordance with the portions of the audit plan that addressed the matters that led to such classification. If No, insert “not applicable” below.

Not applicable

COMPONENT MATERIALITY AND COMPONENT PERFORMANCE MATERIALITY [TOLERABLE MISSTATEMENT]

Were there any changes made to the initial determination of component materiality and component performance materiality [tolerable misstatement]?

☐ Yes

☒ No

****If changes to these levels were made by the component audit team, notify the group engagement team as soon as possible for the group engagement team to evaluate the appropriateness of those amounts for purposes of our audit of the group.***

If Yes, document any changes that were made to the initial determination of component materiality and component performance materiality [tolerable misstatement] and the effect of such changes on your audit plan. If No, insert “not applicable” below.

Not applicable

SIGNIFICANT CHANGES IN OUR RISK ASSESSMENTS AND MODIFICATIONS TO PLANNED AUDIT PROCEDURES*

Have there been significant changes in our risk assessments, including risks that were not identified previously?

☐ Yes

☒ No

We have documented any changes identified in **Deliverable Hr, Appendix to Component Auditor Summary Memo for Identified Significant Items.**

Were there any significant modifications to planned audit procedures?

☐ Yes

☒ No

If Yes, document the procedures performed that identified the need for significant modifications to planned audit procedures, the related account balance and relevant assertion, the modification to the planned audit procedures, and the results of your testing. If No, insert "not applicable" below.

Not applicable

USING THE WORK OF AN AUDITOR'S SPECIALIST

<Note to preparer: Copy and paste this section for each auditor's specialist that is used.>

Was the work of an auditor's specialist (external and internal) used in the audit?

☒ Yes

☐ No

If Yes, document in the following table the results of the component auditor's procedures to test the work of the auditor's specialist. If No, insert "not applicable" in the table below.

Name and organization	Shamme Akhter, Senior Executive - RA Team, Deloitte Bangladesh
Any changes made to the planned procedures after the completion of the planning memorandum	No
Results of our procedures to evaluate the work of the auditor's specialist (e.g., results of procedures performed on underlying data and significant assumptions and methods)	
Findings or concerns raised by the auditor's specialist	
Procedures performed to address such findings or concerns and the results of those procedures	

<Note to preparer: If the component auditor is from a DTTL Member Firm include the following information, question and related response. If the component auditor is from a non-DTTL Firm delete>

The following [insert the auditor's internal specialist used; e.g., tax, information technology, internal fair value] specialists participated on the audit engagement: [list professionals; provide names and titles].

Name and title: Shamme Akhter, Senior Executive - RA Team, Deloitte Bangladesh

Did each of these professionals meet the applicable requirements necessary to participate in the audit engagement? [See paragraph 39 of AAM 22900-2, *Using the Work of an Auditor's Internal Specialist*, and paragraph 37 of PCAOB AAM 22900-2, *Using the Work of an Auditor's Internal Specialist*.]

<Note to preparer: The component auditor may use the applicable Form 2390 – Use of Auditor's Specialists, to address the requirements of AAM 22900-2 or PCAOB AAM 22900-2.>

☒ Yes

☐ No

If Yes, insert "not applicable" below. If No, for each [insert the auditor's internal specialist used; e.g., tax, information technology, internal fair value] specialist on the component audit team that did not meet the requirements necessary to participate in the audit, furnish in the box that follows: (1) the specialist's name, (2) the level of the specialist, (3) the reason the specialist did not meet the requirements, and (4) information as to how the auditor evaluated the circumstances in order to comply with the guidance in AAM 22900-2 and PCAOB AAM 22900-2.

Not applicable

USING THE WORK OF A MANAGEMENT'S EXPERT

<Note to preparer: Copy and paste this section for each management's expert that is used.>

Was the work of a management's expert used in the audit?

☐ Yes

☒ No

If Yes, document the results of the component auditor's procedures to test the work of a management's expert in the following table. If No, insert "not applicable" in the table below.

Name and organization	Not applicable
Any changes made to the planned procedures after the completion of the planning memorandum	
Results of our procedures to evaluate the work of the management's expert (e.g., results of procedures performed on underlying data and significant assumptions and methods)	

USING INTERNAL AUDIT FUNCTION (OR SIMILAR FUNCTION) AND/OR THE WORK OF OTHERS

Was the work of the internal audit function (or similar function) and/or the work of others used in the audit?

☐ Yes

☒ No

If Yes, summarize the conclusions reached regarding the evaluation of the adequacy of the work of the internal audit function (or similar function) or others, and the testing performed on that work. If No, insert "not applicable" below.

Not applicable

USE OF AUDIT TOOLS

Did we use audit tools during our audit procedures?

☐ Yes

☒ No

<Note to preparer: If Yes, select from the following options, and delete the other.>

<Option 1: Insert if the component auditor is from a DTTL Member Firm>

If Yes, identify the audit tools used and summarize the conclusions reached regarding the evaluation of the audit tools, including that the quality and audit control objectives have been met, in accordance with AAM 22852, *Controls over Audit Tools*, or PCAOB AAM 22852, *Controls over Audit Tools*. If No, insert "not applicable" below.

Not applicable

<Option 2: Insert if the component auditor is from a non- DTTL Firm>

If Yes, summarize the conclusions reached regarding the evaluation of the audit tools, including how your evaluation assessed and appropriately responded to the risks involved in using an audit tool on the audit engagement. If No, insert “not applicable” below.

Not applicable

ACCOUNTING ESTIMATES, SIGNIFICANT RISKS, AND CERTAIN OTHER SIGNIFICANT MATTERS [SIGNIFICANT FINDINGS OR ISSUES]*

Did you identify any of the following in your planning memo or subsequent to submission of the planning memo?

1. Accounting estimates highly dependent upon judgment or assumptions (including accounting estimates that represent significant risks).*
2. Other significant risks i.e., other than accounting estimates that represent significant risks.*
3. Matters that are significant involving the selection, application, and consistency of accounting policies.
4. Matters that are significant involving complex or unusual transactions.*

☒ Yes

☐ No

For any items identified complete **Deliverable Hr, Appendix to Component Auditor Summary Memo for Identified Significant Items.**

ISSUES RELATING TO FRAUD AND COMPLIANCE WITH LAWS AND REGULATIONS*

Were any issues relating to fraud identified during the audit?

☐ Yes

☒ No

If Yes, indicate below any items identified relating to fraud, including your response and any additional procedures performed. If No, insert “not applicable” below.

Not applicable

Were any issues relating to identified or suspected non-compliance with laws and regulations <*> identified during the audit?

*<*This question should be updated to include any country-specific regulations, including those that the group engagement team may have asked us to address (e.g., compliance with the US Foreign Corrupt Practices Act if applicable).>*

☐ Yes

☒ No

If Yes, indicate below any instances of identified or suspected non-compliance with laws and regulations, including your response, any additional procedures performed, and any implications on other aspects of the audit including the risk assessment and reliability of written representations. If No, insert "not applicable" below.

Not applicable

ACCOUNTING, AUDITING, AND INDEPENDENCE CONSULTATIONS

Did you have any accounting, auditing, or independence consultations relating to the audit?

☐ Yes

☒ No

If Yes, document the nature and extent of any accounting, auditing, or independence consultations and the effect on our audit. If No, insert "not applicable" below.

Not applicable

IMPORTANT INFORMATION DERIVED FROM CONCLUDING ANALYTICAL PROCEDURES

<Note to preparer: Select from the following options, and delete the other.>

<Option 1: Insert if the component auditor provides the information in an Appendix>

We have summarized the account balances, classes of transactions, or disclosures subject to our procedures in Appendix **Appendix C-1, Preliminary Analytical Review**. We have verified that the information subject to procedures included in our appendix entered below reconciles to the reporting package sent to the group engagement team.



Appendix C-1,
Preliminary Analytical

CIRCUMSTANCES THAT CAUSED US SIGNIFICANT DIFFICULTY IN APPLYING AUDIT PROCEDURES*

Were there any circumstances that caused you significant difficulty in applying audit procedures?

☐ Yes☒ No

If Yes, document such circumstances, including actions taken to address them and the basis for conclusions reached. If No, insert “not applicable” below.

Not applicable

OVERALL EVALUATION OF MISSTATEMENTS/DEFICIENCIES — RESULTS OF AUDIT PROCEDURES INDICATING SIGNIFICANT DEFICIENCIES OR MATERIAL WEAKNESSES¹ IN INTERNAL CONTROL OVER FINANCIAL REPORTING, MATERIAL OMISSIONS IN THE FINANCIAL STATEMENTS, MATERIAL MISSTATEMENTS, OR MATERIAL AUDIT ADJUSTMENTS*

Did you identify numeric misstatements (whether or not corrected by management)?

☐ Yes☒ No

Did you identify disclosure misstatements or material omissions in the financial statements (whether or not corrected by management)?

☐ Yes☒ No

Did you identify the existence of deficiencies, significant deficiencies or material weaknesses² in internal control over financial reporting (whether or not remediated by management)?

☐ Yes☒ No

For any misstatement or deficiency identified based on your responses above, complete and submit **Deliverable I, *Summary of Component Misstatements and Deficiencies in Internal Control***.

Our overall conclusion reached in our evaluation of misstatements, including disclosure deficiencies:

<Note to preparer: Indicate your conclusion by deleting any of the following blocks of text that are not applicable, as appropriate.>

Select from the following options if you have performed an audit of the component’s financial information:

The uncorrected misstatements, including disclosure misstatements, are not material individually or in the aggregate based on the established materiality level. We believe that the reporting package is not materially misstated.

Select from the following options if you have performed an audit of one or more account balances, classes of transactions, or disclosures of the component:

The uncorrected misstatements, including disclosure misstatements, are immaterial based on the materiality level established by the group engagement team. We believe that the *account balances, classes of transactions, or disclosures* as reported in the reporting package are not materially misstated.

Select from the following options if you have performed a review of the component's financial information:

The uncorrected misstatements, including disclosure misstatements, are immaterial based on the established materiality level. Nothing has come to our attention that leads us to believe that the reporting package is materially misstated.

RELATED PARTIES

Have you identified any of the following: (1) related-party relationships or transactions that were not approved or authorized in accordance with the group's policies, (2) related-party relationships or transactions for which exceptions to the group's policies or procedures were granted, or (3) significant related-party transactions that appear to lack a business purpose?

☐ Yes

☒ No

If Yes, refer to **Deliverable M, *Communication of Related Parties Identified by the Component Auditor for Inclusion in the Group Audit***.

GROUP MANAGEMENT WRITTEN REPRESENTATION LETTER

Have you identified any items for inclusion in the Group Management Representation Letter?

☐ Yes

☒ No

If Yes, refer to **Deliverable J, *Items Identified for Inclusion in the Group Management Written Representation Letter***.

COMPONENT MANAGEMENT WRITTEN REPRESENTATION LETTER

Were you requested by the group engagement team or did you obtain a component management written representation letter?

☒ Yes

☐ No

<Note to preparer: If Yes and the component audit work is being performed to support a PCAOB group audit, provide a copy of the component management written representation letter to the group engagement team as soon as practicable, but no later than the date of your clearance memo.>

COMMUNICATION WITH LEGAL COUNSEL

Have you identified any items for inclusion in the Group Legal Representation Letter?

☐ Yes ☒ No

If Yes, refer to **Deliverable K, *Items Identified by Component Auditors for Inclusion in the Group Engagement Team's Communication with Legal Counsel.***

MANAGEMENT LETTER COMMENTS

During the performance of the engagement were any findings identified and discussed with component management?

☐ Yes ☒ No

If Yes, refer to **Deliverable L, *Management Letter Comments.***

KEY AUDIT MATTERS/CRITICAL AUDIT MATTERS

<Note to preparer: This section is only applicable for groups who are communicating Key Audit Matters or Critical Audit Matters in their audit reports.>

Do you have a separate reporting requirement to communicate key audit matters (KAMs) or critical audit matters (CAMs)? ***(These matters are to be communicated as soon as practicable and can be communicated prior to completion of the Component Auditor Summary Memo.)***

☐ Yes ☒ No

If Yes, provide the draft KAMs/CAMs to the group engagement team and document whether you have a requirement to communicate KAMs or CAMs and the date the draft was provided to the group engagement team in the box that follows. If No, insert "not applicable" below.

Not applicable

MODIFICATION OF OUR CLEARANCE MEMO(S)

Did we identify any matters that resulted in the modification of our clearance memo(s)? ***(These matters are to be communicated as soon as practicable and can be communicated prior to completion of the Component Auditor Summary Memo.)***

☐ Yes ☒ No

If Yes, document the component audit team's actions taken to address any such matters (and additional audit evidence obtained) and the basis for conclusions reached. If No, insert "not applicable" below.

Not applicable

CONCLUSION AS TO WHETHER AUDIT PROCEDURES PERFORMED AND EVIDENCE OBTAINED ARE APPROPRIATE AND SUFFICIENT TO SUPPORT OUR CLEARANCE MEMO(S)

<Note to preparer: Indicate your conclusion by deleting any of the following blocks of text that are not applicable, as appropriate.>

The scope of our **audit procedures** performed on the component's financial information and the evidence obtained was appropriate and sufficient to support our clearance, based on the materiality level established by you.

CONCLUSION ON THE GOING CONCERN ASSUMPTION

Have procedures been performed to assess the components ability to continue as a going concern?

☐ Yes

☒ No

If Yes, document the conclusions reached regarding the appropriateness of the going concern assumption and the effect, if any, on the reporting package:

- If no events or conditions have been identified that would cast significant [substantial] doubt regarding the component's ability to continue as a going concern, summarize the procedures performed to arrive at your conclusion that the going concern assumption is appropriate and no disclosures in the group financial statements or modifications to the group opinion are warranted.
- If events or conditions have been identified, summarize the work performed to evaluate the going concern assumption.

If No, insert "not applicable" below.

Not applicable

SIGNIFICANT MATTERS [SIGNIFICANT FINDINGS OR ISSUES] COMMUNICATED TO THOSE CHARGED WITH GOVERNANCE OF THE COMPONENT

Describe any significant matters [significant findings or issues] that were communicated to those charged with governance of the component.

There is no such matter to communicate with those charged with governance.

SIGNIFICANT MATTERS [SIGNIFICANT FINDINGS OR ISSUES] FOR COMMUNICATION TO THOSE CHARGED WITH GOVERNANCE AND/OR MANAGEMENT OF THE GROUP

Are there any significant matters [significant findings or issues] that need to be communicated to those charged with governance or to group management?

☐ Yes

☒ No

If Yes, describe any significant matters [significant findings or issues] that need to be communicated to those charged with governance at the group or to group management. If No, insert "not applicable" below.

Not applicable

SUBSEQUENT EVENTS

Document the results of procedures performed regarding events that occurred after the date your completed procedures on the financial information of the component, and the dates of the audit summary memorandum, if applicable.

Nothing noted

INDEPENDENCE MATTERS (PCAOB AUDITS ONLY)

Document your confirmation that there are no matters that we have identified that should be included in the annual independence report to the Audit Committee of the Group related to the PCAOB Ethics and Independence Rule 3526.

We have confirmed that there are no such matters that should be included in the annual independence report to the Audit Committee of the Group related to the PCAOB Ethics and Independence Rule 3526.

OTHER MATTERS OF SIGNIFICANCE TO THE GROUP

For any matters not documented elsewhere in this memorandum, document below those matters that would be of significance to reviewers.

None

CONCLUSION ABOUT ENGAGEMENT CONTINUANCE

As a result of our audit procedures, are there any concerns with continuing to serve this component?

☐ Yes

☒ No

If Yes, document your concerns regarding our continuing to serve this component. If No, insert “not applicable” below.

Not applicable

NOTES

- ¹ Material weakness only applicable to audits performed in accordance with PCAOB and other jurisdictional standards (e.g., AICPA standards).
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