

DUO WORLD INC

FORM 10-Q (Quarterly Report)

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Symbol	DUUO
SIC Code	7372 - Services-Prepackaged Software
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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 31, 2017

or

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE TRANSITION FROM _____ TO _____.

Commission File Number: 0-55698

DUO WORLD, INC.

(Exact name of registrant as specified in its charter)

Nevada

(State or other Jurisdiction of
Incorporation or Organization)

c/o Duo Software (Pvt.) Ltd.
No. 403 Galle Road
Colombo 03, Sri Lanka

(Address of principal executive offices)

35-2517572

(I.R.S. Employer
Identification No.)

Not applicable

(Zip code)

Registrant's telephone number: (870) 505-6540

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Sec.232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer
Non-accelerated filer

Accelerated filer
Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

**APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS
DURING THE PRECEDING FIVE YEARS**

Indicate by check mark whether the registrant filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court. Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: As of February 14, 2018, there were 52,659,154 outstanding shares of the Registrant's Common Stock, \$.001 par value.



INDEX

	Page
<u>PART I – FINANCIAL INFORMATION</u>	F-1
<u>Item 1. Financial Statements.</u>	F-1
<u>Notes to Financial Statements (Unaudited)</u>	F-6
<u>Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	3
<u>Item 3. Quantitative and Qualitative Disclosures about Market Risk</u>	14
<u>Item 4. Controls and Procedures</u>	14
<u>PART II – OTHER INFORMATION</u>	14
<u>Item 1. Legal Proceedings.</u>	14
<u>Item 1A. Risk Factors</u>	14
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	15
<u>Item 3. Defaults Upon Senior Securities</u>	15
<u>Item 4. Mine Safety Disclosure</u>	15
<u>Item 5. Other Information.</u>	15
<u>Item 6. Exhibits</u>	15
<u>SIGNATURES</u>	16

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

Duo World, Inc. and Subsidiaries
Consolidated Financial Statements
December 31, 2017
(Unaudited)

CONTENTS

	<u>Page(s)</u>
Consolidated Balance Sheets - December 31, 2017 (unaudited) and March 31, 2017	F-3
Consolidated Statements of Operations and Comprehensive Income / (Loss) for the three and nine months ended December 31, 2017 and December 31, 2016 (unaudited)	F-4
Consolidated Statements of Cash Flows for the nine months ended December 31, 2017 and December 31, 2016 (unaudited)	F-5
Notes to the Consolidated Financial Statements (unaudited)	F-6 – F-17

Duo World, Inc. and Subsidiaries
Consolidated Balance Sheets

	<u>December 31, 2017</u> (Un-audited)	<u>March 31, 2017</u> (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 20,748	\$ 25,084
Accounts receivable – trade	572,363	621,670
Prepaid expenses and other current assets	1,156,687	257,376
Accrued Revenue	63,928	70,174
Total Current Assets	1,813,726	974,304
Non Current Assets		
Property and equipment, net of accumulated depreciation of \$259,939 and \$248,326, respectively	30,397	48,087
Intangible assets, net	702,070	580,899
Deferred taxes	31,202	30,864
Total Non Current Assets	763,669	659,850
Total Assets	\$ 2,577,395	\$ 1,634,154
LIABILITIES and SHAREHOLDERS' DEFICIT		
Current Liabilities		
Accounts Payable	\$ 370,924	\$ 307,616
Payroll, employee benefits, severance	479,335	284,285
Short term borrowings	562,610	473,838
Due to related parties	602,218	361,785
Payable for acquisition	185,762	185,762
Taxes payable	116,419	82,669
Accruals and other payables	107,735	169,746
Deferred revenue	46,769	16,420
Total Current liabilities	2,471,772	1,882,121
Long Term Liabilities		
Due to related parties	1,184,214	1,168,866
Total Long Term liabilities	1,184,214	1,168,866
Total liabilities	\$ 3,655,986	\$ 3,050,987
Commitments and contingencies (Note 16)		
Shareholders' Deficit		
Ordinary shares: \$0.001 par value per share; 400,000,000 and 90,000,000 shares authorized; 44,750,654 and 38,567,467 shares issued and outstanding, respectively	\$ 44,751	\$ 38,567
Convertible series "A" preferred shares: \$0.001 par value per share; 10,000,000 shares authorized; 5,136,600 and 5,500,000 shares issued and outstanding, respectively	5,137	5,500
Additional Paid in Capital	2,763,597	907,456
Accumulated deficit	(3,964,979)	(2,481,117)
Accumulated other comprehensive income	72,903	112,761
Total shareholders' deficit	(1,078,591)	(1,416,833)
Total Liabilities and Shareholders' Deficit	\$ 2,577,395	\$ 1,634,154

The accompanying notes are an integral part of these consolidated financial statements.

Duo World, Inc. and Subsidiaries
Consolidated Statements of Operations and Comprehensive Income (Loss)
(Unaudited)

	For the three months ended,		For the nine months ended,	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Revenue	\$ 200,911	\$ 282,385	\$ 582,049	\$ 923,501
Cost of revenue (exclusive of depreciation presented below)	(76,039)	(84,575)	(237,708)	(226,897)
Gross Income	\$ 124,872	\$ 197,810	\$ 344,341	\$ 696,604
Operating Expenses:				
Research and development	-	10,461	-	30,088
General and administrative	134,035	146,287	458,860	660,512
Salaries and casual wages	91,077	113,514	269,082	322,374
Selling and distribution	3,527	5,937	9,410	12,567
Professional services- Investment advisory	438,598	-	877,195	-
Depreciation	5,553	7,725	18,932	56,149
Amortization of web site development	383	438	1,146	1,664
Allowance for bad debts	63,198	40,356	141,435	85,176
Total operating expenses	736,371	324,718	1,776,060	1,168,530
Loss from operations	\$ (611,499)	\$ (126,908)	\$ (1,431,719)	\$ (471,926)
Other Income (Expenses):				
Interest expense	(19,250)	(7,409)	(55,407)	(17,885)
Gain on disposals of property and equipment	51	-	83	-
Other income	2,514	28	3,134	273
Bank charges	(932)	(1,005)	(3,021)	(2,733)
Exchange gain	2,885	15,029	6,338	23,689
Total other income and (expenses)	(14,732)	6,643	(48,873)	3,344
Loss before provision for income taxes	\$ (626,231)	\$ (120,265)	\$ (1,480,592)	\$ (468,582)
Provision for income taxes	-	-	-	-
Net loss	\$ (626,231)	\$ (120,265)	\$ (1,480,592)	\$ (468,582)
Basic and Diluted Loss per Share	\$ (0.02)	\$ (0.00)	\$ (0.04)	\$ (0.01)
Basic and Diluted Weighted Average Number of Shares Outstanding	41,595,863	38,567,467	39,951,984	38,521,304
Comprehensive Income (Loss):				
Unrealized foreign currency translation gain (loss)	(15,001)	42,234	(39,857)	57,238
Net loss	(626,231)	(120,265)	(1,480,592)	(468,582)
Comprehensive loss	\$ (641,232)	\$ (78,031)	\$ (1,520,449)	\$ (411,344)

The accompanying notes are an integral part of these consolidated financial statements.

Duo World, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(Unaudited)

	For the nine months ended,	
	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Cash flows from operating activities:		
Loss before provision for income taxes	\$ (1,480,592)	\$ (468,582)
Adjustments to reconcile loss before provision for income taxes to cash provided by operating activities		
Depreciation	20,078	57,813
Bad debts	141,435	85,176
Gain on disposals of property and equipment	(83)	-
Previous period adjustments	-	42,146
Common shares issued as payment for accrued interest	-	15,000
Common shares issued for services	1,858,690	214,600
Product development cost written off	84,844	108,172
Changes in assets and liabilities:		
Accounts receivable – trade	(92,127)	(281,333)
Prepaid expenses and other current assets	(899,311)	3,873
Accrued revenue	6,246	10,473
Accounts Payable	63,308	(96,368)
Payroll, employee benefits, severance	195,050	116,401
Short term borrowings	88,772	105,848
Due to related parties	240,433	165,888
Taxes payable	33,750	30,255
Accruals and other payables	(62,011)	(4,042)
Deferred revenue	30,349	13,358
Net cash provided by operating activities	\$ 228,831	\$ 118,678
Cash Flows used in investing activities:		
Acquisition of property and equipment	(3,458)	(10,512)
Sale proceeds of disposal of property and equipment	334	-
Addition to intangible assets	(212,748)	(294,507)
Net cash used in investing activities	\$ (215,872)	\$ (305,019)
Cash flows from financing activities:		
Proceeds from issuance of common shares	-	151,001
Additional paid in capital	-	(74,197)
Net cash provided by financing activities	\$ -	\$ 76,804
Effect of exchange rate changes on cash	(17,295)	48,810
Net decrease in cash	\$ (4,336)	\$ (60,727)
Cash at Beginning of Period	25,084	91,106
Cash at End of Period	\$ 20,748	\$ 30,379
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 55,407	\$ 17,885
Cash paid for income taxes	\$ -	\$ -

Supplemental disclosure of non-cash investing and financing activities:

Common shares issued for services	\$	1,858,690	\$	214,600
Accrued interest converted into common shares	\$	-	\$	15,000
Common shares issued upon conversion of preferred shares	\$	<u>3,634</u>	\$	<u>-</u>

The accompanying notes are an integral part of these consolidated financial statements.

Duo World Inc. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2017
(Unaudited)

Note 1 - Organization and Nature of Operations

Duo World Inc. (hereinafter referred to as “Successor” or “Duo”) a reporting company, was organized under the laws of the state of Nevada on September 19, 2014. Duo Software (Pvt.) Limited (hereinafter referred to as “DSSL” or “Predecessor”), a Sri Lanka based company, was incorporated on September 22, 2004, in the Democratic Socialist Republic of Sri Lanka, as a limited liability company. Duo Software (Pte.) Limited (hereinafter referred to as “DSS” or “Predecessor”), a Singapore based company, was incorporated on June 05, 2007 in the Republic of Singapore as a limited liability company. DSS also includes its wholly owned subsidiary, Duo Software India (Private) Limited (India) which was incorporated on August 30, 2007, under the laws of India.

On December 03, 2014, Duo Software (Pvt.) Limited (DSSL) and Duo Software Pte. Limited (DSS) executed a reverse recapitalization with Duo World Inc. (Duo). Duo (Successor) is a holding company that conducts operations through its wholly owned subsidiaries DSSL and DSS (Predecessors) in Sri Lanka, Singapore and India. The consolidated entity is referred to as “the Company”. The Company, having its development center in Colombo, has been in the space of developing products and services for the subscription-based industry. The Company’s application (“DigIn”, “FaceTone”, “CloudCharge” , “SmoothFlow”, “DuoSubscribe” and “DuoCLM”) provide solutions in the space of Data Analytics, Customer Life Cycle Management, Subscriber Billing, Work Flow and Pay-TV Subscription Billing.

Note 2 - Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules and regulations of the United States Securities and Exchange Commission for interim financial information. Accordingly, they do not include all the information and disclosures necessary for a comprehensive presentation of consolidated financial position, results of operations, or cash flows. It is management’s opinion, however, that all material adjustments (consisting of normal recurring adjustments) have been made which are necessary for a fair consolidated financial statements presentation.

The unaudited interim consolidated financial statements should be read in conjunction with the Company’s Annual Report, which contains the audited consolidated financial statements and notes thereto, together with the Management’s Discussion and Analysis, for the year ended March 31, 2017. The interim results for the period ended December 31, 2017 are not necessarily indicative of results for the full fiscal year.

Going Concern

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. These consolidated financial statements do not include any adjustments relating to the recovery of the recorded assets or the classification of the liabilities that might be necessary should the Company be unable to continue as a going concern.

As reflected in the accompanying consolidated financial statements, the Company had a net loss of \$626,231 and \$1,480,592 for the three and nine months ended December 31, 2017 respectively; net cash provided by operations of \$228,831 and \$118,678 for the nine months ended December 31, 2017 and 2016 respectively; working capital deficit of \$ 658,046 and \$907,817 as of December 31, 2017 and March 31, 2017 respectively; outstanding statutory dues towards employee provident fund and employee trust fund of \$365,678 and \$269,781 as of December 31, 2017 and March 31, 2017, respectively; and a stockholders’ deficit of \$1,078,591 and \$1,416,833 as of December 31, 2017 and March 31, 2017, respectively.

Operating losses during the three and nine months ended December 31, 2017 were mainly due to a one-time expenditure incurred for professional fee relating to investment advisory services.

Furthermore, the Company has entered into contracts with the clients for the products launched during the year 2016-17 and the management is confident that these projects shall generate sufficient revenues to offset the operating losses in the recent future.

Duo World Inc. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2017
(Unaudited)

Note 3 - Summary of Significant Accounting Policies

Basis of Consolidation

Duo World Inc. is the parent company of its 100% subsidiaries Duo Software (Pvt.) Limited (DSSL) and Duo Software Pte Limited (DSS). Duo Software Pte Limited is the parent company of its 100% subsidiary Duo Software India (Private) Limited (India). All significant inter-company accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated Financial Statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Making estimates requires management to exercise significant judgment. It is least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the financial statements, which management considered in formulating its estimate could change in the near term due to one or more future non-confirming events. Accordingly, the actual results could differ from those estimates. The most significant estimates relate to the timing and amounts of revenue recognition, the recognition and disclosure of contingent liabilities and the collectability of accounts receivable.

Risks and Uncertainties

The Company's operations are subject to significant risk and uncertainties including financial, operational, competition and potential risk of business failure. Product revenues are concentrated in the application software industry, which is highly competitive and rapidly changing. Significant technological changes in the industry or customer requirements, or the emergence of competitive products with new capabilities or technologies, could adversely affect operating results.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash and cash equivalents and accounts receivable. The Company maintains cash and cash equivalents with various high quality financial institutions and we monitor the credit ratings of those institutions. The Company's sales are primarily to the companies located in Sri Lanka, Singapore, Indonesia and India. The Company performs ongoing credit evaluations of our customers, and the risk with respect to trade receivables is further mitigated by the diversity, both by geography and by industry, of the customer base. Accounts receivable are due principally from the companies under stated contract terms.

Provisions

A provision is recognized when the Company has present obligations as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and reliable estimate can be made of amount of the obligation. Provisions are not discounted at their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Duo World Inc. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2017
(Unaudited)

Accounts Receivable and Provision for Doubtful Accounts

The Company recognizes accounts receivable in connection with the products sold and services provided and have strong policies and procedures for the collection of receivables from its clients. However, there are inevitably occasions when the receivables due to the Company cannot be collected and, therefore, have to be written off as bad debts. While the debt collection process is being pursued, an assessment is made of the likelihood of the receivable being collectable. A provision is, therefore, made against the outstanding receivable to reflect that component that may not become collectable. The Company is in the practice of provisioning for doubtful debts based on the period outstanding as per the following:

Trade receivables outstanding:	Provision
Over 24 months	100%
Over 18 months	50%
Over 15 months	25%
Over 12 months	10%
Over 9 months	5%

Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. As of December 31, 2017 and March 31, 2017, there were no cash equivalents.

Foreign Currency Translation

The functional currencies of the Company's foreign subsidiaries are their local currencies. For financial reporting purposes, these currencies have been translated into United States Dollars (\$) and/or USD as the reporting currency. All assets and liabilities denominated in foreign functional currencies are translated into U.S. dollars at the closing exchange rate on the balance sheet date and equity balances are translated at historical rates. Revenues, costs and expenses in foreign functional currencies are translated at the average rate of exchange during the period. Translation adjustments arising from the use of different exchange rates from period to period are included as a component of shareholders' deficit as "accumulated other comprehensive income (loss)". Gains and losses resulting from foreign currency transactions are included in the statement of operations and comprehensive income / (loss) as other income (expense).

Fixed assets

Fixed assets (including leasehold improvements) are stated at cost, net of accumulated depreciation and amortization. Depreciation is computed utilizing the straight-line method over the estimated useful lives of the related assets. The estimated salvage value is considered as NIL. Amortization of leasehold improvements is computed utilizing the straight-line method over the estimated benefit period of the related assets, which may not exceed 15 years, or the lease term, if shorter. Repairs and maintenance expenditures, which are not considered improvements and do not extend the useful life of the property and equipment, are expensed as incurred. In case of sale or disposal of an asset, the cost and related accumulated depreciation are removed from the consolidated financial statements.

Useful lives of the fixed assets are as follows:

Furniture & Fittings	5 years
Improvements to lease hold assets	Lease term
Office equipment	5 years
Computer equipment (Data Processing Equipment)	3 years
Website development	4 years

Duo World Inc. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2017
(Unaudited)

Impairment of Long-Lived Assets

The Company reviews long-lived assets, such as property, plant, and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of by sale would be separately presented in the balance sheet and reported at the lower of the carrying amount or fair value less costs related to the sale, and are no longer depreciated. The assets and liabilities of a group classified as held for sale would be presented separately in the appropriate asset and liability sections of the balance sheet.

Fair Value Measurements and Fair Value of Financial Instruments

The Company measures assets and liabilities at fair value based on an expected exit price as defined by the authoritative guidance on fair value measurements, which represents the amount that would be received on the sale of an asset or paid to transfer a liability, as the case may be, in an orderly transaction between market participants. As such, fair value may be based on assumptions that market participants would use in pricing an asset or liability.

The estimated fair value of certain financial instruments, including cash and cash equivalents, accounts receivable, accounts payable and accrued expenses are carried at historical cost basis, which approximates their fair values because of the short-term nature of these instruments.

Revenue Recognition, Deferred & Accrued Revenue

The Company recognizes revenue from the sale of software licenses and related services in accordance with ASC Topic 605, Revenue Recognition. ASC Topic 605 sets forth guidance as to when revenue is realized or realizable and earned, which is generally, when all of the following criteria are met:

- Persuasive evidence of an arrangement exists. Evidence of an arrangement generally consists of a contract or purchase order signed by the customer.
- Delivery has occurred or services have been performed. Services are considered delivered as the work is performed or, in the case of maintenance, over the contractual service period. The Company uses written evidence of customer acceptance to verify delivery or completion of any performance terms.
- The seller's price to the buyer is fixed or determinable. The Company assesses whether the sales price is fixed or determinable based on payment terms associated with the transaction and whether the sales price is subject to refund or adjustment.
- Collectability is reasonably assured. The Company assesses collectability primarily based on the creditworthiness of the customer as determined by credit checks and related analysis, as well as the customer's payment history, economic conditions in the customer's industry and geographic location and general economic conditions. If we do not consider collection of a fee to be probable, we defer the revenue until the fees are collected, provided all other conditions for revenue recognition have been met.

The Company typically licenses its products on a per server, per user basis with the price per customer varying based on the selection of the products licensed, the number of site installations and the number of authorized users. Currently, Duo is offering two products from which it generates its revenue; they are "Duo Subscribe" and "FaceTone". Duo sells its software license along with software implementation and annual maintenance services under an agreement with various clients. The Company raises invoices on a key milestone basis, as defined in the agreement. Revenue recognition is based on stage of completion basis. Revenues from consulting and training services are typically recognized as the services are performed.

Duo World Inc. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2017
(Unaudited)

The Company offers annual maintenance programs on its licenses that provide for technical support and updates to the Company's software products. Maintenance fees are bundled with license fees in the initial licensing period and charged separately for renewals of annual maintenance in subsequent years. Fair value for maintenance is based upon either renewal rates stated in the contracts or separate sales of renewals to customers. Revenue is recognized ratably, or daily, over the term of the maintenance period, which is typically one year.

For the nine months ended December 31, 2017 and 2016, the Company received only cash as consideration for sale of licenses and related services rendered.

For the nine months ended December 31, 2017 and 2016, the Company had following concentrations of revenue with customers:

<u>Customer</u>	<u>December 31, 2017</u>	<u>December 31, 2016</u>
DEN Networks	47.57%	30.08%
Commercial Bank of Ceylon PLC	11.00%	0.00%
Topaz	8.13%	7.04%
Development services	7.47%	1.08%
LOLC	6.77%	0.00%
Mediatama	3.84%	2.55%
Meghbela	3.13%	1.47%
Bank of Ceylon	3.08%	2.00%
Megamedia	0.00%	38.51%
Hutchison	0.00%	9.09%
HelloCorp	0.00%	2.49%
Other misc. customers	9.01%	5.69%
	100.00%	100.00%

Deferred Revenue - Deferred revenue represents advance payments for software licenses, services, and maintenance billed in advance of the time revenue is recognized. As at December 31, 2017 and March 31, 2017, deferred revenue was \$46,769 and \$16,420 respectively.

Accrued Revenue/Unbilled Accounts Receivable - Accrued revenue/Unbilled accounts receivable primarily occur due to the timing of the respective billings, which occur subsequent to the end of each reporting period. As at December 31, 2017 and March 31, 2017, unbilled/accrued revenues were \$63,928 and \$70,174 respectively.

Cost of Revenue

Cost of revenue mainly includes purchases, product implementation costs, amortization of product development, developer support and implementation, and consultancy fees related to the products offered by Duo. The aggregate cost related to the software implementations, including support and consulting services pertaining to the revenue recognized during the reporting period, is recognized as Cost of Revenue.

Duo World Inc. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2017
(Unaudited)

Product research and development

Product research and development expenses consist primarily of salary and benefits for the Company's development and technical support staff, contractors' fees and other costs associated with the enhancements of existing products and services and development of new products and services. Costs incurred for software development prior to technological feasibility are expensed as product research and development costs in the period incurred. Once the point of technological feasibility is reached, which is generally upon the completion of a working prototype that has no critical bugs and is a release candidate development costs are capitalized until the product is ready for general release and are classified within "Intangibles assets" in the accompanying consolidated balance sheets. The Company amortizes capitalized software development costs using the greater of the ratio of the products' current gross revenues to the total of current gross revenues and expected gross revenues or on a straight-line basis over the estimated economic life of the related product, which is typically four years.

During the nine months ending on December 31, 2017 and 2016, product research and development cost of \$212,748 and \$294,507 respectively, were capitalized as "Intangible assets". Product research and development cost of \$26,370 of the "SaaS" version of "FaceTone" was capitalized during the nine months ended December 31, 2017.

Advertising Costs

The Company expenses advertising costs as incurred. The amount expensed during the nine months ended December 31, 2017 was \$484 and is included in selling and distribution expense in the accompanying consolidated statements of operations. No advertising expenses were incurred during the nine months ended December 31, 2016.

Comprehensive Income

The Comprehensive Income Topic of the FASB Accounting Standards Codification establishes standards for reporting and presentation of comprehensive income and its components in a full set of financial statements. Comprehensive income from April 1, 2013 through December 31, 2017, includes only foreign currency translation gains (losses), and is presented in the Company's consolidated statements of comprehensive income.

Changes in Accumulated Other Comprehensive Income (Loss) by Component during the periods ending on December 31, 2017 and March 31, 2017 were as follows:

Foreign Currency Translation gains (losses)	
Balance, March 31, 2017	\$ 112,761
Translation rate loss during the period	(5,962)
Balance, June 30, 2017	\$ 106,799
Translation rate loss during the period	(18,895)
Balance, September 30, 2017	\$ 87,904
Translation rate loss during the period	(15,001)
Balance, December 31, 2017	\$ 72,903

Recent Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers* (Topic 606) (ASU 2014-09), which updates the existing accounting standards for revenue recognition. In August 2015, the FASB issued ASU No. 2015-14, *Revenue from Contracts with Customers* (Topic 606): *Deferral of the Effective Date*, which delays the effective date of ASU 2014-09 by one year. In March 2016, the FASB issued Accounting Standards Update No. 2016-08, *Revenue from Contracts with Customers* (Topic 606): *Principal versus Agent Considerations* (Reporting Revenue Gross versus Net) (ASU 2016-08) which clarifies the implementation guidance on principal versus agent considerations. In April 2016, the FASB issued ASU 2016-10, *Revenue from Contracts with Customers* (Topic 606), *Identifying Performance Obligations and Licensing*, which clarifies the guidance related to whether goods or services are distinct within the context of contract and therefore a performance obligation and the timing and pattern of revenue recognition for IP licenses. In May 2016, the FASB issued ASU 2016-12, *Revenue from Contracts with Customers* (Topic 606): *Narrow-Scope Improvements and Practical Expedients*, which provides clarifying guidance in certain narrow areas and added some practical expedients. In December 2016, the FASB issued ASU 2016-20, *Revenue from Contracts with Customers* (Topic 606): *Technical Corrections and Improvements*, which provides clarifying guidance in certain technical areas. The new standard further requires new disclosures about contracts with customers, including the significant judgments the registrant has made when applying the guidance. The standard and related amendments will be effective for financial statements issued by public companies for interim and annual reporting periods beginning after December 15, 2017. The management will be adopting the new standard effective January 1, 2018. The management does not expect that the impact of adopting the standard to be significant to our consolidated financial statements

Duo World Inc. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2017
(Unaudited)

Note 4 – Accounts Receivable

Following is a summary of accounts receivable as at December 31, 2017 and March 31, 2017;

	December 31, 2017	March 31, 2017
Accounts receivable – Trade	\$ 849,038	\$ 754,783
Less: Provision for doubtful debts	(276,675)	(133,113)
	\$ 572,363	\$ 621,670

At December 31, 2017 and March 31, 2017, the Company had following concentrations of accounts receivable with customers:

Customer	December 31, 2017	March 31, 2017
Megamedia	49.07%	63.68%
DEN Networks	15.53%	15.99%
Topas	9.39%	7.24%
LOLC	7.05%	0.00%
Commercial Bank	5.14%	0.00%
Bank of Ceylon	3.18%	0.00%
Development Services	2.86%	0.00%
Dish Media	1.88%	5.88%
Mediatama	1.75%	1.29%
Meghbela	1.41%	0.74%
Other receivables	2.73%	5.18%
	100.00%	100.00%

Note 5 – Prepaid Expenses and Other Current Assets

Following is a summary of prepaid expenses and other current assets as at December 31, 2017 and March 31, 2017;

	December 31, 2017	March 31, 2017
Security deposits	\$ 18,766	\$ 29,621
WHT receivable	198,839	201,362
Staff loan and advances	-	100
Travel advance	-	295
Supplier advance	3,476	4,398
ESC receivable	5,778	5,826
Insurance prepayment	-	1,435
Prepayments	48,107	10,580
Prepayment for other professional services	877,195	-
Other receivables	4,526	3,759
	\$ 1,156,687	\$ 257,376

Duo World Inc. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2017
(Unaudited)

Note 6 – Property and Equipment

Following table illustrates net book value of property and equipment as at December 31, 2017 and March 31, 2017;

	December 31, 2017	March 31, 2017
Office equipment	\$ 7,318	\$ 9,465
Furniture & fittings	140,960	139,377
Computer equipment (Data Processing Equipment)	126,513	131,909
Improvements to lease hold assets	1,879	1,894
Website Development	13,666	13,768
	<u>\$ 290,336</u>	<u>\$ 296,413</u>
Accumulated depreciation and amortization	(259,939)	(248,326)
Net fixed assets	<u>\$ 30,397</u>	<u>\$ 48,087</u>

Depreciation and amortization expense for the nine months ended December 31, 2017 and 2016 was \$20,078 and \$57,813 respectively. \$7,098 of fully depreciated long lived assets were disposed during the nine months ended December 31, 2017.

Note 7 – Intangible Assets

Intangible assets comprise of capitalization of certain costs pertaining to product development, which meet the criteria as set forth above under Note 3. Following table illustrates the movement in intangible assets as at December 31, 2017 and March 31, 2017:

	December 31, 2017	March 31, 2017
Opening Balance	\$ 580,899	\$ 382,352
Add: Costs capitalized during the period	212,748	365,216
Less: Amount Written-off	(84,844)	(147,326)
Translational gain	(6,733)	(19,343)
Net Intangible Assets	<u>\$ 702,070</u>	<u>\$ 580,899</u>

Note 8 – Short Term Borrowings

Following is a summary of short-term borrowings as at December 31, 2017 and March 31, 2017;

	December 31, 2017	March 31, 2017
PAN Asia Bank – Short term overdraft	\$ 480,550	\$ 460,088
Prosperous Capital	8,922	8,997
Commercial bank	40,093	4,753
Senkadagala Finance	33,045	-
	<u>\$ 562,610</u>	<u>\$ 473,838</u>

Bank overdraft facility, obtained from Pan Asia Banking Corporation PLC, contains an average interest rate of 15.55% per annum.

Duo World Inc. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2017
(Unaudited)

Note 9 – Due to Related Parties

Due to Related Parties – Short term

From time to time, the Company receives advances from related parties such as officers, directors or principal shareholders in the normal course of business. Loans and advances received from related parties are unsecured and non-interest bearing. Balances outstanding to these persons for less than 12 months are presented under current liabilities in the accompanying consolidated financial statements. As of December 31, 2017 and March 31, 2017, the Company owed directors \$602,218 and \$361,785 respectively.

Due to Related Parties – Long term

Balances outstanding to related parties for more than 12 months are presented under long-term liabilities in the accompanying consolidated financial statements. As of December 31, 2017 and March 31, 2017, the Company owed directors \$1,184,214 and \$1,168,866 respectively.

Note 10 – Taxes Payable

The taxes payable comprise of items listed below as at December 31, 2017 and March 31, 2017;

	December 31, 2017	March 31, 2017
PAYE	\$ 107,712	\$ 73,611
VAT payable	-	14
Stamp Duty Payable	36	48
Tax payable	8,671	8,996
	\$ 116,419	\$ 82,669

Note 11 – Accruals and Other Payables

Following is a summary of accruals and other payables as at December 31, 2017 and March 31, 2017;

	December 31, 2017	March 31, 2017
Audit fee payable	\$ 17,089	\$ 20,906
Accruals	30,534	81,696
Other payables	60,112	67,144
	\$ 107,735	\$ 169,746

Duo World Inc. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2017
(Unaudited)

Note 12 – Cost of Revenue

Following is the summary of cost of revenue for the nine months ending December 31, 2017 and 2016;

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Purchases	\$ 38,087	\$ 31,737
Implementation cost	20,510	32,445
Product development cost written off	84,844	108,101
Consultancy, contract basis employee cost	7,468	19,007
Support services	50,262	21,859
Other external services	6,594	7,981
Development services	29,943	5,767
	<u>\$ 237,708</u>	<u>\$ 226,897</u>

Note 13 – General and Administrative Expenses

Following is the summary of general and administrative expenses for the nine months ending December 31, 2017 and 2016;

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Directors remuneration	\$ 113,781	\$ 78,758
EPF	32,809	36,493
ETF	8,202	9,123
Bonus	-	24,961
Vehicle allowance	28,227	42,905
Staff welfare	8,693	20,176
Penalties / Late payment charges	817	4,792
Office rent	51,260	57,481
Electricity charges	10,919	12,190
Office maintenance	9,241	12,741
Telephone charges	8,137	9,304
Travelling expense	2,761	2,470
Audit fee	8,094	5,068
Printing and stationery	848	1,368
Office expenses	1,354	1,773
Computer maintenance	3,723	4,764
Internet charges	9,638	9,952
Courier and postage	689	575
Security charges	2,338	2,700
Training and development	-	170
Insurance expense	1,393	1,735
Professional fees	13,882	26,951
Gratuity	5,382	3,724
Secretarial fees	396	740
Irrecoverable tax	36,010	34,178
Software Rentals	19,176	19,372
Other professional services	5,945	224,103
Consulting fee	51,300	-
Transfer agent fees	1,010	1,235
Filing fee and subscription	4,687	4,047
Stamp duty expenses	1,123	728
Legal fee	9,403	5,505
Investor relations	5,742	-
Other expenses	1,880	430
	<u>\$ 458,860</u>	<u>\$ 660,512</u>

Duo World Inc. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2017
(Unaudited)

Note 14 – Selling and Distribution Expenses

Following is the summary of selling and distribution expenses for the nine months ending on December 31, 2017 and 2016;

	December 31, 2017	December 31, 2016
Marketing Expenses	\$ 743	\$ 1,472
Vehicle hire charges	4,681	4,810
Vehicle running expense	3,492	3,608
Foreign Travel	-	2,427
Advertisement	484	-
Visa expenses	-	250
Gifts and donations	10	-
	\$ 9,410	\$ 12,567

Note 15 - Equity

(A) Common Stock

As at December 31, 2017, the Company had 400,000,000 authorized shares of common stock having a par value of \$0.001. The shares of Common Stock are designated with the following rights:

- **Voting rights:** Common shareholders can attend at annual or special meeting of shareholders to cast vote or use a proxy.
- **Right to elect board of directors:** Common shareholders control the Company through their right to elect the Company's board of directors.
- **Right to share income and assets:** Common shareholders have the right to share the Company's earnings equally on a per share basis in the form of dividends. Similarly, in the event of liquidation, shareholders have claims on assets that remain after meeting the obligations to pay accrued taxes, accrued salary and wages, creditors including bondholders (if any) and preferred shareholders. Thus, common shareholders are residual claimants of the Company's income and assets.

During the nine months ended December 31, 2017, the Company issued following common shares:

Date	Type	Shares	Valuation
06/30/2017	Stock issued for services - Consulting for Strategic Growth 1, Ltd.	140,000	\$ 51,800
08/23/2017	Stock issued for services - Maxim Partners LLC.	1,391,816	\$ 1,043,862
08/23/2017	Stock issued for services - Dayspring Capital LLC.	947,371	\$ 710,528
09/18/2017	Stock issued for services - Consulting for Strategic Growth 1, Ltd.	70,000	\$ 52,500
12/19/2017	Stock issued to Yenom (Pvt) Limited.	3,634,000	\$ 3,634

Duo World Inc. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2017
(Unaudited)

In December 2017, the Board of Directors approved the “Duo World, Inc. 2017 Employee Stock Ownership Plan” and reserved an aggregate of 9,611,665 shares of common stock for issuance thereunder.

(B) Preferred Stock

As at December 31, 2017, the Company had 10,000,000 authorized series “A” preferred shares having a par value of \$0.001 per share. The preferred shares are designated with the following conversion rights:

- One preferred share will convert into ten (10) common shares no earlier than 12 months and 1 day after the issuance.

On December 19, 2017, 363,400 convertible series “A” preferred shares were converted into 3,634,000 common stock at par at a ratio of one preferred share to ten common shares.

During the nine months ended December 31, 2017, the Company has not issued any new preferred shares.

Note 16 - Commitments and Contingencies

The Company consults with legal counsel on matters related to litigation and other experts both within and outside the Company with respect to matters in the ordinary course of business. The Company does not have any contingent liabilities in respect of legal claims arising in the ordinary course of business.

Duo entered into a lease commitment for its Sri Lanka office amounting to \$118,961 with Happy Building Management Company for a period of 3 years in 2016. Duo entered into another lease commitment for its Indian office amounting to \$1,273 on April 1, 2017 with Regus Office Center Services Pvt. Limited for a period of 1 year.

Guarantee provided by the company existed on the balance sheet date are as follows:

<u>Date</u>	<u>Description</u>	<u>Amount</u>
09/23/2011	Performance Bond for BOC Tender	\$ 9,927
05/15/2013	Guarantee for Lanka Clear	2,086
07/31/2014	Guarantee for SLT	562
08/10/2015	Guarantee for LOLC	1,586
		<u>\$ 14,160</u>

The company has not provided any guarantees other than those mentioned above.

Note 17 – Subsequent Events

On January 2, 2018, the Company awarded 6,542,500 shares of common stock to various employees, including 1,750,000 shares of common stock to two of the Company’s executive officers, 1,500,000 shares to Suzannah Jennifer Samuel Perera, Chief Finance Officer, and 250,000 shares to Mahmud Riad Ameen, Legal Director. The aggregate value of the 6,542,500 shares awarded was \$3,042,262.50 in non-cash compensation.

On January 12, 2018, 136,600 shares of convertible Series “A” Preferred Stock were converted into 1,366,000 common stock at par at a ratio of one preferred share to ten common shares.

Note 18 - General

Figures have been rounded off to the nearest dollar and the comparative figures have been re-arranged / reclassified, wherever necessary, to facilitate comparison.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Cautionary Forward - Looking Statement

The following discussion and analysis of the results of operations and financial condition of Duo World, Inc. should be read in conjunction with the unaudited financial statements, and the related notes. References to “we,” “our,” or “us” in this section refers to the Company and its subsidiaries. Our discussion includes forward-looking statements based upon current expectations that involve risks and uncertainties, such as our plans, objectives, expectations and intentions. We use words such as “anticipate,” “estimate,” “plan,” “project,” “continuing,” “ongoing,” “expect,” “believe,” “intend,” “may,” “will,” “should,” “could,” and similar expressions to identify forward-looking statements.

Certain matters discussed herein may contain forward-looking statements that are subject to risks and uncertainties. Such risks and uncertainties include, but are not limited to, the following:

- *the volatile and competitive nature of our industry,*
- *the uncertainties surrounding the rapidly evolving markets in which we compete,*
- *the uncertainties surrounding technological change of the industry,*
- *our dependence on its intellectual property rights,*
- *the success of marketing efforts by third parties,*
- *the changing demands of customers and*
- *the arrangements with present and future customers and third parties.*

Should one or more of these risks or uncertainties materialize or should any of the underlying assumptions prove incorrect, actual results of current and future operations may vary materially from those anticipated.

Our MD&A is comprised of the following sections:

- A. Business Overview
- B. Critical Accounting Policies
- C. Results of operations for the three months ended December 31, 2017 and December 31, 2016
- D. Results of operations for the nine months ended December 31, 2017 and December 31, 2016
- E. Financial condition as at December 31, 2017 and March 31, 2017
- F. Liquidity and capital reserves
- G. Milestones for next twelve months

A. Business overview:

Duo World, Inc. (hereinafter referred to as “Successor” or “Duo”), a reporting Company since September 26, 2016, was organized under the laws of the state of Nevada on September 19, 2014. Duo Software (Pvt.) Limited (hereinafter referred to as “DSSL” or “Predecessor”), a Sri Lanka based company, was incorporated on September 22, 2004, in the Democratic Socialist Republic of Sri Lanka, as a limited liability company. Duo Software (Pte.) Limited (hereinafter referred to as “DSS” or “Predecessor”), a Singapore based company, was incorporated on June 5, 2007 in the Republic of Singapore as a limited liability company. DSS also includes its wholly-owned subsidiary, Duo Software India (Private) Limited (India), which was incorporated on August 30, 2007, under the laws of India.

Effective December 3, 2014, DSSL and DSS executed a reverse recapitalization with Duo. Duo (“Successor”) is a holding company that conducts operations through its wholly-owned subsidiaries, DSSL and DSS (“Predecessors”) in Sri Lanka, Singapore and India. The consolidated entity is referred to as the “Company.” The Company, having its development center in Colombo, Sri Lanka, specializes in the space of Customer Life Cycle Management & Contact Center solutions and Subscriber Management Billing and Business Intelligence in the Asia Pacific Region. Driven by innovation, Duo World has served the enterprises in many ways, including efficiency, cost reduction, revenue optimization and continuous value addition to their product or service offerings. Duo World has been in the business of developing products and services for the subscription based industry.

Our authorized capital consists of 410,000,000 shares, including 400,000,000 shares of common stock, \$0.001 par value, and 10,000,000 shares of preferred stock, \$0.001 par value.

B. Critical Accounting Policies:

We prepare our consolidated financial statements in accordance with GAAP. The preparation of consolidated financial statements also requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, costs and expenses and related disclosures. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results could differ significantly from the estimates made by our management. To the extent that there are differences between our estimates and actual results, our future financial statement presentation, financial condition, results of operations and cash flows will be affected. We believe that the accounting policies discussed below are critical to understanding our historical and future performance, as these policies relate to the more significant areas involving management's judgments and estimates.

Critical accounting policies and estimates are those that we consider the most important to the portrayal of our financial condition and results of operations because they require our most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of the matters that are inherently uncertain.

Revenue Recognition

The Company recognizes revenue from the sale of software licenses and related services in accordance with ASC Topic 605, Revenue Recognition. ASC Topic 605 sets forth guidance as to when revenue is realized or realizable and earned, which is generally, when all of the following criteria are met:

- Persuasive evidence of an arrangement exists. Evidence of an arrangement generally consists of a contract or purchase order signed by the customer.
- Delivery has occurred or services have been performed. Services are considered delivered as the work is performed or, in the case of maintenance, over the contractual service period. The Company uses written evidence of customer acceptance to verify delivery or completion of any performance terms.
- The seller's price to the buyer is fixed or determinable. The Company assesses whether the sales price is fixed or determinable based on payment terms associated with the transaction and whether the sales price is subject to refund or adjustment.
- Collectability is reasonably assured. The Company assesses collectability primarily based on the creditworthiness of the customer as determined by credit checks and related analysis, as well as the customer's payment history, economic conditions in the customer's industry and geographic location and general economic conditions. If we do not consider collection of a fee to be probable, we defer the revenue until the fees are collected, provided all other conditions for revenue recognition have been met.

The Company typically licenses its products on a per server, per user basis with the price per customer varying based on the selection of the products licensed, the number of site installations and the number of authorized users. Currently, Duo is offering two main products from which it generates its revenue; they are "Duo Subscribe" and "FaceTone." Duo sells its software licenses along with software implementation and annual maintenance services under an agreement with various clients. The Company raises invoices on key milestone basis as defined in the agreement with the customer. Revenue recognition is based on stage of completion basis. Revenues from consulting, development and training services are typically recognized as the services are performed.

The company has also commenced launching 'FaceTone' as a hosted solution, by signing reseller partnership agreements with the leading Telecommunication and Broadband Service providers. FaceTone is being offered to the Small and Medium Enterprises (SME's) by the Service Providers for a fixed monthly subscription depending on the number of licenses and options.

The Company offers annual maintenance programs on its licenses that provide for technical support and updates to the Company's software products. Maintenance fees are bundled with license fees in the initial licensing period and charged separately for renewals of annual maintenance in subsequent years. Fair value for maintenance is based upon either renewal rates stated in the contracts or separate sales of renewals to customers. Revenue is recognized ratably, or daily, over the term of the maintenance period, which is typically one year.

Provisions

A provision is recognized when the Company has present obligations as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and reliable estimates can be made of amount of the obligation. Provisions are not discounted at their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Income Taxes

The Company accounts for income taxes using the asset and liability method. Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Quantitative and Qualitative Disclosure about Market Risk

We are exposed to financial market risks, primarily changes in interest rates. Market risk is the potential loss arising from adverse changes in market rates and prices.

Foreign Currency Exchange Risk

Our results of operations and cash flows are subject to fluctuations due to changes in foreign currency exchange rates. All of our revenues are normally generated in U.S. dollars or Sri Lankan rupees. Our expenses are generally denominated in the currencies in which our operations are located, which are primarily in Asia and to a lesser extent in the U.S. Our results of operations and cash flows are, therefore, subject to fluctuations due to changes in foreign currency exchange rates and may be adversely affected in the future due to changes in foreign exchange rates. To date, we have not engaged in any foreign currency hedging strategies. As our international operations grow, we plan to generate revenues in foreign currencies and we will continue to reassess our approach to manage our risk relating to fluctuations in currency rates.

Inflation

We do not believe that inflation had a material effect on our business, financial condition or results of operations in the last three fiscal years. If our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases. Our inability or failure to do so could harm our business, financial condition and results of operations.

C. Results of operations for the three months ended December 31, 2017 and December 31, 2016:

The Company had revenues amounting to \$200,911 and \$282,385, respectively, for three months ended December 31, 2017 and December 31, 2016. Following is a breakdown of revenues for both periods:

	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>Changes</u>
DuoSubscribe	\$ 121,469	\$ 261,548	\$ (140,079)
FaceTone	60,680	3,178	57,502
DuoCLM	-	5,590	(5,590)
Software hosting and reselling- FaceTone	5,698	2,139	3,559
Development services	13,064	9,930	3,134
	<u>\$ 200,911</u>	<u>\$ 282,385</u>	<u>\$ (81,474)</u>

Total revenue for the three months ended December 31, 2017 decreased by 29% when compared to December 31, 2016. The decrease is mainly due to the drop in revenue generated by our products, DuoCLM and DuoSubscribe, as these products are being phased out and the Company is focusing on new products.

The Company is no longer marketing DuoCLM and DuoSubscribe, as the newer products are being introduced to the market. FaceTone is an advanced version of DuoCLM, and has been successful in converting many sales leads in to signed contracts during the last quarter. Revenue on the new contracts have either not been recognized (if implementation had not begun) or recognized in minimum (if work completed is below the milestone).

Even though the revenue for the three months ended December 31, 2017 has decreased when compared to the three months ended December 31, 2016, there is a growth of 18% when compared to the three months ended September 30, 2017. The company is confident this trend will continue to increase in greater percentage in the subsequent quarters.

The following table illustrates the comparison between the revenue for the three months ended December 31, 2017 and September 30, 2017.

	<u>December 31, 2017</u>	<u>September 30, 2017</u>	<u>Changes</u>
DuoSubscribe	\$ 121,469	\$ 115,983	\$ 5,486
FaceTone	60,680	35,223	25,457
Software hosting and reselling - FaceTone	5,698	4,011	1,687
Development services	13,064	15,109	(2,045)
	<u>\$ 200,911</u>	<u>\$ 170,326</u>	<u>\$ 30,585</u>

The total increase of 72% in revenue from FaceTone signifies favorable market acceptance of the product.

During the period ended December 31, 2017, the Company entered into a software license agreement to implement FaceTone to one of the largest and most diversified conglomerate in Sri Lanka.

In addition, fully owned subsidiary of Duo World Inc., Duo Software won a 'Merit Award' at the Asia Pacific ICT Alliance (APICTA) Awards, held in December 2016 in Taipei, just months after winning 'Gold' and 'Merit' Awards at the National Best Quality Software Awards (NBQSA) for the new products.

For the three months ended December 31, 2017 and December 31, 2016, the Company had the following concentrations of revenues with customers:

<u>Customer</u>	<u>December 31, 2017</u>	<u>December 31, 2016</u>
A	42.91%	40.68%
B	19.61%	0%
C	0%	41.95%
D	7.85%	5.02%
Other misc. customers	29.63%	12.35%
	<u>100%</u>	<u>100%</u>

The total cost of sales amounted to \$76,039 and \$84,575 for the three months ended December 31, 2017 and December 31, 2016, respectively. The following table sets forth the Company's cost of sales breakdown for both periods:

	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>Change</u>
Purchases	\$ 14,909	\$ 12,041	\$ 2,868
Implementation and onsite support cost	4,935	9,541	(4,607)
Product development cost written off	28,730	38,105	(9,375)
Support services	15,539	11,138	4,401
Other external services	3,344	7,982	(4,637)
Cost of development services	8,582	5,768	2,814
Total cost of sales	\$ 76,039	\$ 84,575	\$ (8,536)

Cost of sales marginally decreased by \$8,536 (10%) in the three months ended December 31, 2017 when compared to the three months ended December 31, 2016. Reduction in product development cost written off, implementation and onsite support cost and other external services were the main contributors to the decrease in cost of sales.

The gross income for the three months ended December 31, 2017 and December 31, 2016 amounted to \$124,872 and \$197,810, respectively.

The total operating expenditure amounted to \$736,371 and \$324,718 for the three months ended December 31, 2017 and December 31, 2016, respectively. The following table sets forth the Company's operating expenditure analysis for both periods:

	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>Changes</u>
Research and development	\$ -	\$ 10,461	\$ (10,461)
General and administrative	134,035	146,287	(12,252)
Salaries and casual wages	91,077	113,514	(22,437)
Selling and distribution	3,527	5,937	(2,410)
Professional services- Investment advisory	438,598	-	438,598
Depreciation	5,553	7,725	(2,172)
Amortization of web site development	383	438	(55)
Allowance for bad debts	63,198	40,356	22,842
Total operating expenses	\$ 736,371	\$ 324,718	\$ 411,653

Following are the main reasons for the variances in operating expenses of the Company:

Research and Development

The Company has not incurred research and development cost during the three months ended December 31, 2017, as all of our products have passed through the research and development phase. Whereas during the three months ended December 31, 2016, the Company incurred \$10,461 as research and development expense.

General and Administrative Cost

During the three months ended December 31, 2017, general and administrative cost declined by \$12,252 (8%) when compared to the same period in 2016, mainly due to reduction in dispensable expenses.

Salaries and benefits

Salaries and benefits decreased by 20% during the three months ended December 31, 2017 as there was a reduction in the total number of staff when compared to the same period in 2016. The Company moved toward outsourcing of non-core activities and this led to a general decrease in the number of permanent staff.

Selling and distribution

During the period ended December 31, 2017, marketing expenses marginally decreased as the Company only marketed one product (FaceTone) and that too only in Sri Lanka, as a test market before the product is marketed in other countries

Professional services – Investment advisory

Company incurred a cost of \$438,598 for the three months ended December 31, 2017, 60% of the total operating cost on account of agreement signed in July 2017, for investment advisory services. Below table illustrates the impact of Professional services- Investment advisory on the total operating expenditure for the three months ended December 31, 2017 and 2016.

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Professional services- Investment advisory	\$ 438,598	\$ -
Business operating expenses	297,773	324,718
Total operating expenses	<u>\$ 736,371</u>	<u>\$ 324,718</u>

Depreciation and Amortization expense

Depreciation and amortization expense had decreased by 27% during the three months ended December 31, 2017, when compared to the three months ended December 31, 2016.

Allowance for bad debts

During the three months ended December 31, 2017, the Company made a provision for bad debts amounting to \$63,198.

The loss from operations for the three months ended December 31, 2017 and December 31, 2016 amounted to \$611,499 and \$126,908, respectively.

The Company's other income and (expense) for the three months ended December 31, 2017 and December 31, 2016 amounted to \$(14,732) and \$6,643, respectively. The following table sets forth the Company's other income and (expense) analysis for both periods:

	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>Changes</u>
Interest expense	\$ (19,250)	\$ (7,409)	\$ (11,841)
Gain on disposals of property and equipment	51	-	51
Other income	2,514	28	2,486
Bank charges	(932)	(1,005)	73
Exchange gain	2,885	15,029	(12,144)
Total operating expenses	<u>\$ (14,732)</u>	<u>\$ 6,643</u>	<u>\$ (21,375)</u>

Other expenditures increased by \$ 21,375 in the three months ended December 31, 2017, when compared to the three months ended December 31, 2016. The main reason for this increase was the increase in interest cost and reduction in exchange gain.

The loss before provision for income taxes for the three months ended December 31, 2017 and December 31, 2016 amounted to \$626,231 and \$120,265, respectively.

The net loss for the three months ended December 31, 2017 and December 31, 2016 amounted to \$626,231 and \$120,265 respectively.

The Company's comprehensive loss for the three months ended December 31, 2017 and December 31, 2016 amounted to \$641,232 and \$78,031, respectively.

Comprehensive Income / (Loss):	<u>December 31, 2017</u>	<u>December 31, 2016</u>
(Loss) / gain on foreign currency translation	\$ (15,001)	\$ 42,234
Net loss	(626,231)	(120,265)
Comprehensive loss	<u>\$ (641,232)</u>	<u>\$ (78,031)</u>

At December 31, 2017 and March 31, 2017, the Company had 44,750,654 and 38,567,467 common shares issued and outstanding, respectively. The weighted average number of shares for the three months ended December 31, 2017 and December 31, 2016 was 41,595,863 and 38,567,467, respectively. The loss per share for both periods was \$(0.02) per share and \$(0.00) per share, respectively.

D. Results of operations for the nine months ended December 31, 2017 and December 31, 2016:

The Company had revenues amounting to \$582,049 and \$923,501, respectively, for the nine months ended December 31, 2017 and December 31, 2016. Following is a breakdown of revenues for both periods:

	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>Changes</u>
DuoSubscribe	\$ 375,794	\$ 753,245	\$ (377,451)
FaceTone	150,348	7,968	142,380
DuoCLM	-	144,966	(144,966)
Software hosting and reselling - FaceTone	12,248	7,392	5,035
Development services	43,479	9,930	33,549
	<u>\$ 582,049</u>	<u>\$ 923,501</u>	<u>\$ (341,453)</u>

Total revenue for the nine months ended December 31, 2017 has decreased by 37% when compared to nine months ended December 31, 2016. This decrease is mainly due to the reduction in revenue generated by DuoSubscribe and DuoCLM as the company stopped marketing the two legacy software products.

FaceTone, the advanced version of DuoCLM, has already attracted the potential market due to its unique features and flexibility. It is evidenced by the increase of revenue generated by FaceTone by \$142,380 during the nine months ended December 31, 2017 when compared to the same period ended December 31, 2016.

During the nine months ended December 31, 2017, the Company managed to attract a number of high profile customers and entered into software license agreements with three major customers to implement FaceTone, including one of the largest and most diversified conglomerate, a leading commercial bank and the largest private telecommunication and mobile network provider in Sri Lanka. In addition, most of the other potential customers are at agreement finalization stage, and revenue would be recognized in the subsequent quarters.

For the nine months ended December 31, 2017 and December 31, 2016, the Company had the following concentrations of revenues with customers:

<u>Customer</u>	<u>December 31, 2017</u>	<u>December 31, 2016</u>
A	47.57%	30.08%
B	11.00%	0%
C	8.13%	7.04%
D	7.47%	1.08%
E	0%	38.51%
Other misc. customers	25.83%	23.29%
	<u>100%</u>	<u>100%</u>

The total cost of sales amounted to \$237,708 and \$226,897 for the nine months ended December 31, 2017 and 2016, respectively. The following table sets forth the Company's cost of sales breakdown for both periods:

	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>Change</u>
Purchases	\$ 38,087	\$ 31,737	\$ 6,350
Implementation and onsite support cost	20,510	32,445	(11,935)
Product development cost written off	84,844	108,101	(23,257)
Consultancy, contract basis employee cost	7,468	19,007	(11,539)
Support services	50,262	21,859	28,403
Development services	29,943	5,767	24,176
Other external services	6,594	7,981	(1,387)
Total cost of sales	\$ 237,708	\$ 226,897	\$ 10,811

Cost of sales marginally increased by \$10,811 during the nine months ended December 31, 2017 when compared to the nine months ended December 31, 2016. Cost of support services and the increase in the cost of development services were the main contributors to the increase in cost of sales.

The gross income for the nine months ended December 31, 2017 and 2016 amounted to \$344,341 and \$696,604, respectively.

The total operating expenditures amounted to \$1,776,060 and \$1,168,530 for the nine months ended December 31, 2017 and 2016, respectively. The following table sets forth the Company's operating expenditure analysis for both periods:

	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>Change</u>
Research and development	\$ -	\$ 30,088	\$ (30,088)
General and administrative	458,860	660,512	(201,652)
Salaries and benefits	269,082	322,374	(53,292)
Selling and distribution	9,410	12,567	(3,157)
Professional services - Investment advisory	877,195	-	877,195
Depreciation	18,932	56,149	(37,217)
Amortization of web site development	1,146	1,664	(518)
Allowance for bad debts	141,435	85,176	56,259
Total operating expenses	\$ 1,776,060	\$ 1,168,530	\$ 607,530

Following are the main reasons for the variances in operating expenses of the Company:

Research and Development

The Company has not incurred research and development cost during the nine months ended December 31, 2017, as all of our products have passed through the research and development phase. Whereas during the nine months ended December 31, 2016, the Company incurred \$30,088 as research and development expense.

General and Administrative Cost

The general and administrative expenditure has decreased by 31% in the nine months ended December 31, 2017 when compared with nine months ended December 31, 2016. The main reason for the decrease is due to the reduction in the professional fees paid to consultants and auditors for the purpose of filing Form S-1 Registration Statement, during the nine months ended December 31, 2016, when compared with the same period in 2017.

Salaries and benefits

Salaries and benefits decreased by 17% during the nine months ended December 31, 2017 as the total number of staff was reduced when compared to the same period in 2016. The Company moved toward outsourcing of non-core activities and this led to a general decrease in the number of permanent staff.

Selling and distribution

There is a decrease of 25% on account of expenditure incurred for selling and distribution activities during the nine months ended December 31, 2017, when compared with the nine months ended December 31, 2016. The company reduced marketing activities during the nine months ended December 31, 2017, as it is pooling all of the resources for the launch of the new products.

Professional services – Investment advisory

Company incurred a cost of \$877,195 for the nine months ended December 31, 2017, 49% of the total operating cost on account of agreement signed in July 2017, for investment advisory services. Below table illustrates the impact of Professional services- Investment advisory on the total operating expenditure for the nine months ended December 31, 2017 and 2016.

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Professional services- Investment advisory	\$ 877,195	\$ -
Business operating expenses	898,865	1,168,530
Total operating expenses	<u>\$ 1,776,060</u>	<u>\$ 1,168,530</u>

Depreciation and amortization of web site development

Depreciation and amortization expense has decreased by 65% during the nine months ended December 31, 2017, when compared to the nine months ended December 31, 2016. Since April 01, 2016 the Company has changed its accounting policies on useful life of computer equipment and web site development cost and the effect on changing the accounting policies were reflected during the nine months ended December 31, 2016.

Allowance for bad debts

Allowance for bad debts increased by \$56,258 during the nine months ended December 31, 2017 when compared to the nine months ended December 31, 2016.

The loss from operations for the nine months ended December 31, 2017 and 2016 amounted to \$1,431,719 and \$471,926, respectively.

The Company's other income and (expenses) for the nine months ended December 31, 2017 and 2016 amounted to \$(48,873) and \$3,344, respectively. The following table sets forth the Company's other income and (expenses) analysis for both periods:

	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>Change</u>
Interest expense	\$ (55,407)	\$ (17,885)	\$ (37,522)
Gain on disposals of property and equipment	83	-	83
Other income	3,134	273	2,861
Bank charges	(3,021)	(2,733)	(288)
Exchange gain	6,338	23,689	(17,351)
Total other income (expenses)	<u>\$ (48,873)</u>	<u>\$ 3,344</u>	<u>\$ (52,217)</u>

Other expenses increased by \$52,217, during the nine months ended December 31, 2017, when compared with the nine months ended December 31, 2016. This increase was mainly due to the increase in interest expense and reduction in exchange gain during the nine months ended December 31, 2017.

The loss before provision for income taxes for the nine months ended December 31, 2017 and 2016 amounted to \$1,480,592 and \$468,582, respectively.

The net loss for the nine months ended December 31, 2017 and 2016 amounted to \$1,480,592 and \$468,582, respectively.

The Company's comprehensive loss for the nine months ended December 31, 2017 and 2016 amounted to \$1,520,449 and \$411,344, respectively.

Comprehensive Loss:	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Unrealized foreign currency translation (loss), gain	\$ (39,857)	\$ 57,238
Net loss	(1,480,592)	(468,582)
Comprehensive loss	<u>\$ (1,520,449)</u>	<u>\$ (411,344)</u>

At December 31, 2017 and March 31, 2017, the Company had 44,750,654 and 38,567,467 common shares issued and outstanding, respectively. The weighted average number of shares for the nine months ended December 31, 2017 and December 31, 2016 was 39,951,984 and 38,521,304, respectively. The loss per share for both periods was \$(0.04) per share and \$(0.01) per share, respectively.

E. Financial condition as at December 31, 2017 and March 31, 2017:

Assets:

The Company reported total assets of \$2,577,395 and \$1,634,154 as at December 31, 2017 and March 31, 2017, respectively. 45% of these total assets include prepaid expenses and other current assets, 27% of total assets comprise intangible assets and 22% of total assets include net accounts receivables of the Company. Our property and equipment include office equipment, computer equipment (Data Processing Equipment), furniture and fittings, web site developments and improvement to lease- hold assets having a total net book value of \$30,397 and \$48,087 as at December 31, 2017 and March 31, 2017, respectively. We also had a deferred tax asset of \$30,864 as at March 31, 2017 which now totals \$31,202 as at December 31, 2017. Furthermore, our current assets at March 31, 2017 totaled \$974,304 and at December 31, 2017, these current assets amounted to \$1,813,726 comprised of cash of \$20,748, accounts receivable of \$572,363, prepaid and other current assets of \$1,156,687 and accrued revenue of \$63,928.

Liabilities:

The Company had total liabilities of \$3,655,986 and \$3,050,987 as at December 31, 2017 and March 31, 2017, respectively. Long term liabilities include balances owed to related parties which are outstanding for more than 12 months. Our current liabilities at March 31, 2017 totaled \$1,882,121. We have seen an increase of 31% in current liabilities amounting to \$589,651, making total current liabilities of \$2,471,772 as at December 31, 2017. These mainly include short term third party debt, payroll liabilities, payable to related parties, deferred revenue, taxes payable, accrued liabilities and our day to day operational creditors.

Stockholder's Deficit:

At March 31, 2017, the Company had stockholders' deficit of \$1,416,833. At December 31, 2017, the Company had stockholders' deficit of \$1,078,591, which represents a decrease of 24%.

The Company had 44,750,654 and 38,567,467 shares issued and outstanding at December 31, 2017 and March 31, 2017, respectively.

E. Liquidity and capital reserves:

The Company had loss from operations of \$611,499 and \$126,908 for the three months ended December 31, 2017, and 2016 respectively; a total other income (expense) amounting to \$(14,732) and \$6,643 for the three months ended December 31, 2017 and 2016, respectively; and a net loss of \$626,231 and \$120,265 for the three months ended December 31, 2017 and 2016, respectively.

In summary, our cash flows for the three months ended December 31, 2017 and December 31, 2016 were as follows:

	December 31, 2017	December 31, 2016
Net cash provided by operating activities	\$ 228,831	\$ 118,678
Net cash used in investing activities	(215,872)	(305,019)
Net cash provided by financing activities	-	76,804

Since inception, we have financed our operations primarily through internally generated funds and the use of our lines of credit with several financial institutions. We had \$20,748 in cash; net cash provided by operations of \$228,831, for the nine months ended December 31, 2017; working capital deficit of \$658,046 and stockholders' deficit of \$1,078,591 as of December 31, 2017.

F. Milestones for next twelve months (2018-2019):

Our specific plan of operations and milestones through March 2019 are as follows:

1) Product Development and Launch:

We intend to commercially launch the new cloud based, SaaS products: FaceTone, DigIn, CloudCharge and Smoothflow.

2) Expansion:

a) Geographical Expansion

We intend to set up sales and support teams in Asian countries that have growing subscription markets. We hope to establish our presence in the United States by opening our first sales office during early 2018.

b) Market Expansion

Currently, we have clients in India, Indonesia, and Sri Lanka.

We intend to expand into new markets and regions with enhanced and new products. We hope to enter certain markets by way of appointing partners with the strategic fit to be able to promote the products in those markets in the more cost effective manner to the Company.

c) Knowledge Capital, Learning and Innovation.

Our greatest strength is our human capital. We have the ability to continue to innovate and set trends within the industries in which we operate, due to our ability to innovate and create value in our products.

Our management intends to:

- Continue to empower and create value for our human capital;
- Encourage disruptive technologies;
- Provide greater opportunities for knowledge sharing; and
- Sponsor and motivate learning and adoption of new technologies.

d) Infrastructure

We plan to increase our infrastructure in order to:

- Facilitate the increase in software development teams supporting R&D and Product Development;
- Expand our Global Support Center to cater to the increase in customer base, and increase in our product lines;
- Set up a smaller software development center outside of Sri Lanka, which would also be used as a disaster recovery center in the event our development center in Sri Lanka becomes incapacitated due to unforeseen events.

e) Financial Performance

We intend to provide value for all our shareholders by:

- Increasing profitability and free cash flow;
- Efficiently managing the use of capital;
- Raising capital and expanding our operations;
- Up list to OTCQB;
- Capitalizing and maximizing on the high growth opportunities in the market;
- Providing a robust and steady capital appreciation; and
- Providing options to realize gains.

f) Corporate Social Responsibility

Our wholly-owned subsidiary, Duo Software (Pvt.) Ltd., was Asia's first software development company to be certified Carbon Neutral in 2011.

We intend to be environmentally friendly, and continue with the carbon foot print audit and Carbon Neutral Certification in 2018.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Not applicable.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our Principal Executive Officer and Principal Financial Officer of the effectiveness of the design and operation of our disclosure controls and procedures. Based on this evaluation, our Principal Executive Officer and Principal Financial Officer concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and Rule 15d-15(e) under the Securities Exchange Act of 1934) were effective.

Changes in internal control over financial reporting

There were no changes in our internal control over financial reporting during our last fiscal quarter that materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

We are not involved in any legal proceedings.

Item 1A. Risk Factors

Not applicable.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On December 19, 2017, 363,400 shares of our Series “A” Preferred Stock were converted into 3,634,000 shares of common stock at par at a conversion ratio of one preferred share for ten shares of common stock.

In December 2017, the Board of Directors approved the “Duo World, Inc. 2017 Employee Stock Ownership Plan” and reserved an aggregate of 9,611,665 shares of common stock for issuance thereunder.

On January 2, 2018, the Company awarded 6,542,500 shares of common stock to various employees, including 1,750,000 shares of common stock to two of the Company’s executive officers, to wit: 1,500,000 shares to Suzannah Jennifer Samuel Perera, Chief Finance Officer, and 250,000 shares to Mahmud Riad Ameen, Legal Director. The aggregate value of the 6,542,500 shares awarded was \$3,042,262.50 in non-cash compensation. These shares have yet to be issued in certificate or electronic format, which is in process of occurring. These 6,542,500 shares of common stock are included in the total issued and outstanding shares on the cover of this report.

On January 12, 2018, 136,600 shares of our Series “A” Preferred Stock were converted into 1,366,000 shares of common stock at par at a conversion ratio of one preferred share for ten shares of common stock.

The above shares awarded were issued in reliance on the exclusion from the registration requirements of the Securities Act of 1933, as amended, provided by Regulation S promulgated thereunder and/or on the exemption from registration afforded by Section 4.(a)(2) of the Securities Act of 1933, as amended.

Item 3. Defaults upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

See Exhibit Index below for exhibits required by Item 601 of regulation S-K.

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
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List of Exhibits attached or incorporated by reference pursuant to Item 601 of Regulation S-K:

<u>Exhibit</u>	<u>Description</u>
31.1 *	Certification under Section 302 of Sarbanes-Oxley Act of 2002
31.2 *	Certification under Section 302 of Sarbanes-Oxley Act of 2002
32.1 *	Certification under Section 906 of Sarbanes-Oxley Act of 2002
32.2 *	Certification under Section 906 of Sarbanes-Oxley Act of 2002

* Filed herewith.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DUO WORLD, INC.

Date: February 14, 2018

/s/ Muhunthan Canagasooriyam

Muhunthan Canagasooriyam
President and Chief Executive Officer
(Principal Executive Officer)

Date: February 14, 2018

/s/ Suzannah Jennifer Samuel Perera

Suzannah Jennifer Samuel Perera
Chief Financial Officer
(Principal Accounting and Financial Officer)

DUO WORLD, INC.
A Nevada corporation
CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
Section 302 Certification

I, Muhunthan Canagasooriam, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Duo World, Inc. for the quarter ended December 31, 2017.
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this interim report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15 (f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this annual report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - a) All significant deficiencies in the design of operation of internal controls which would adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weakness in internal controls; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: February 14, 2018

/s/ Muhunthan Canagasooriam

Muhunthan Canagasooriam
President and Chief Executive Officer
(Principal Executive Officer)

DUO WORLD, INC.
A Nevada corporation
CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
Section 302 Certification

I, Suzannah Jennifer Samuel Perera, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Duo World, Inc. for the quarter ended December 31, 2017.
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this interim report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15 (f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this annual report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - a. All significant deficiencies in the design or operation of internal controls which would adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weakness in internal controls; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting

Date: February 14, 2018

/s/ Suzannah Jennifer Samuel Perera

Suzannah Jennifer Samuel Perera
Chief Financial Officer
(Principal Accounting and Financial Officer)

DUO WORLD, INC.
A Nevada corporation
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Duo World, Inc. ("Company") on Form 10-Q for the quarter ended December 31, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Muhunthan Canagasooram, President and Chief Executive Officer, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906, or other document authentication, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: February 14, 2018

/s/ Muhunthan Canagasooram

Muhunthan Canagasooram
President and Chief Executive Officer
(Principal Executive Officer)

DUO WORLD, INC.
A Nevada corporation
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Duo World, Inc. ("Company") on Form 10-Q for the quarter ended December 31, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Suzannah Jennifer Samuel Perera, Chief Financial Officer, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906, or other document authentication, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: February 14, 2018

/s/ Suzannah Jennifer Samuel Perera

Suzannah Jennifer Samuel Perera
Chief Financial Officer
(Principal Accounting and Financial Officer)
